

# UNITED STATES STATUTES AT LARGE

CONTAINING THE

LAWS AND CONCURRENT RESOLUTIONS  
ENACTED DURING THE SECOND SESSION OF THE  
EIGHTY-SEVENTH CONGRESS  
OF THE UNITED STATES OF AMERICA

1962

AND

REORGANIZATION PLAN, PROPOSED AMENDMENT  
TO THE CONSTITUTION, AND PROCLAMATIONS

---

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SECOND SESSION OF THE EIGHTY-SEVENTH CONGRESS

OF THE

UNITED STATES OF AMERICA

*Begun and held at the City of Washington on Wednesday, January 10, 1962, and adjourned sine die on Saturday, October 13, 1962. JOHN F. KENNEDY, President; LYNDON B. JOHNSON, Vice President; JOHN W. McCORMACK, Speaker of the House of Representatives.*

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Public Law 87-402

AN ACT

To change the name of the Playa del Rey Inlet and Harbor, Venice, California, to the "Marina del Rey, Los Angeles, California".

February 2, 1962  
[H. R. 157]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the body of water designated as the Playa del Rey Inlet and Harbor, Venice, California, by section 101 of the River and Harbor Act of 1954 (68 Stat. 1252; Public Law 780, Eighty-third Congress), shall be known and designated hereafter as the "Marina del Rey, Los Angeles, California". Any law, regulation, map, document, record, or other paper of the United States in which such body of water is referred to shall be held to refer to it as the "Marina del Rey, Los Angeles, California".*

Approved February 2, 1962.

Marina del Rey,  
Los Angeles,  
Calif.  
Designation.

## Public Law 87-403

## AN ACT

February 2, 1962  
[H. R. 8847]

To amend the Internal Revenue Code of 1954 so as to provide that a distribution of stock made to an individual (or certain corporations) pursuant to an order enforcing the antitrust laws shall not be treated as a dividend distribution but shall be treated as a return of capital; and to provide that the amount of such a distribution made to a corporation shall be the fair market value of the distribution.

Stock, antitrust  
distribution.  
Income tax treat-  
ment.  
68A Stat. 295;  
70 Stat. 139,  
26 USC 1101-  
1103.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to gain or loss on disposition of property) is amended by adding at the end thereof the following new part:

**“PART IX—DISTRIBUTIONS PURSUANT TO ORDERS  
ENFORCING THE ANTITRUST LAWS**

“Sec. 1111. Distribution of stock pursuant to order enforcing the antitrust laws.

**“SEC. 1111. DISTRIBUTION OF STOCK PURSUANT TO ORDER ENFORCING THE ANTITRUST LAWS.**

68A Stat. 84, 95,  
98,  
26 USC 301, 312,  
316.

“(a) **GENERAL RULE.**—Notwithstanding sections 301, 312, and 316, a distribution of divested stock (as defined in subsection (e)), to a qualifying shareholder (as defined in subsection (b)), to which section 301 (c) (1) would, but for this section, apply, shall be a distribution which is not out of the earnings and profits of the distributing corporation for purposes of this subtitle.

Definitions.

“(b) **QUALIFYING SHAREHOLDER.**—For purposes of this section, the term ‘qualifying shareholder’ means any shareholder other than a corporation which may be allowed a deduction under section 243, 244, or 245 with respect to dividends received.

26 USC 243-245.

“(c) **SPECIAL RULES.**—

“(1) **DISTRIBUTIONS TO AVOID FEDERAL INCOME TAX.**—Subsection (a) shall not apply to any transaction one of the principal purposes of which is the distribution of the earnings and profits of the distributing corporation or of the corporation whose stock is distributed, or both.

“(2) **STOCK.**—For purposes of this section, the term ‘stock’ includes rights to fractional shares.

“(d) **DEFINITION OF ANTITRUST ORDER.**—For purposes of this section, the term ‘antitrust order’ means, in the case of any corporation, a final judgment rendered after January 1, 1961, by a court with respect to such corporation in a court proceeding under the Sherman Act (26 Stat. 209; 15 U.S.C. 1-7) or the Clayton Act (38 Stat. 730; 15 U.S.C. 12-27), or both, to which the United States is a party, if such proceeding was commenced on or before January 1, 1959.

71 Stat. 163.

73 Stat. 243.

“(e) **DEFINITION OF DIVESTED STOCK.**—For purposes of this section, the term ‘divested stock’ means stock meeting the following requirements:

“(1) the stock is the subject of an antitrust order entered after January 1, 1961, which—

“(A) directs the distributing corporation to divest itself of such stock by distributing it to its shareholders (or requires such distribution as an alternative to other action by any person);

“(B) specifies and itemizes the stock to be divested; and

"(C) fixes the period of time within which the distributing corporation must divest itself of all stock to be disposed of by it by reason of the suit, and such period expires not later than 3 years from the date on which such order becomes final (appeal time having run or appeal having been completed); and

"(2) the court finds—

"(A) that the divestiture of such stock, in the manner described in paragraph (1) (A), is necessary or appropriate to effectuate the policies of the Sherman Act, or the Clayton Act, or both;

"(B) that the application of subsection (a) is required to reach an equitable antitrust order in such suit or proceeding; and

"(C) that the period of time for the complete divestiture fixed in the order is the shortest period within which such divestiture can be executed with due regard to the circumstances of the particular case;

but no stock shall be divested stock if the court finds that its divestiture is required because of an intentional violation of the Sherman Act, or the Clayton Act, or both."

(b) The table of parts for subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Part IX. Distributions pursuant to orders enforcing the antitrust laws."

(c) The amendments made by this section shall apply only with respect to distributions made after the date of the enactment of this Act.

Effective date.

SEC. 2. (a) Section 301 of the Internal Revenue Code of 1954 (relating to distributions of property) is amended by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following new subsection:

26 USC 301.

"(f) SPECIAL RULES FOR DISTRIBUTIONS OF ANTITRUST STOCK TO CORPORATIONS.—

"(1) DEFINITION OF ANTITRUST STOCK.—For purposes of this subsection, the term 'antitrust stock' means stock received, by a corporation which is a party to a suit described in section 1111(d) (relating to definition of antitrust order), in a distribution made after September 6, 1961, either pursuant to the terms of, or in anticipation of, an antitrust order (as defined in subsection (d) of section 1111).

"Antitrust stock." Ante, p. 4.

"(2) AMOUNT DISTRIBUTED.—Notwithstanding subsection (b)(1) (but subject to subsection (b)(2)), for purposes of this section the amount of a distribution of antitrust stock received by a corporation shall be the fair market value of such stock.

"(3) BASIS.—Notwithstanding subsection (d), the basis of antitrust stock received by a corporation in a distribution to which subsection (a) applies shall be the fair market value of such stock decreased by so much of the deduction for dividends received under the provisions of section 243, 244, or 245 as is, under regulations prescribed by the Secretary or his delegate, attributable to the excess, if any, of—

26 USC 243-245

"(A) the fair market value of the stock, over

"(B) the adjusted basis (in the hands of the distributing corporation immediately before the distribution) of the stock, increased by the amount of gain which is recognized to the distributing corporation by reason of the distribution."

**Effective date.** (b) The amendments made by this section shall apply only with respect to distributions made after the date of the enactment of this Act.

**26 USC 312.** SEC. 3. (a) Section 312 of the Internal Revenue Code of 1954 (relating to the effect on earnings and profits) is amended by adding at the end thereof the following new subsection:

**Ante, p. 5.**  
**26 USC 301.** “(k) SPECIAL ADJUSTMENT ON DISPOSITION OF ANTITRUST STOCK RECEIVED AS A DIVIDEND.—If a corporation received antitrust stock (as defined in section 301(f)) in a distribution to which section 301 applied, and the amount of the distribution determined under section 301(f)(2) exceeded the basis of the stock determined under section 301(f)(3), then proper adjustment shall be made, under regulations prescribed by the Secretary or his delegate, to the earnings and profits of such corporation at the time such stock (or other property the basis of which is determined by reference to the basis of such stock) is disposed of by such corporation.”

**26 USC 535.** (b) Subsection (b) of section 535 of the Internal Revenue Code of 1954 (relating to accumulated taxable income) is amended by adding at the end thereof the following new paragraphs:

**Ante, p. 4.** “(9) DISTRIBUTIONS OF DIVESTED STOCK.—There shall be allowed as a deduction the amount of any dividend distribution received of divested stock (as defined in subsection (e) of section 1111), minus the taxes imposed by this subtitle attributable to such receipt, but only if the stock with respect to which the distribution is made was owned by the distributee on September 6, 1961, or was owned by the distributee for at least 2 years prior to the date on which the antitrust order (as defined in subsection (d) of section 1111) was entered.

“(10) SPECIAL ADJUSTMENT ON DISPOSITION OF ANTITRUST STOCK RECEIVED AS A DIVIDEND.—If—

“(A) a corporation received antitrust stock (as defined in section 301(f)) in a distribution to which section 301 applied,

“(B) the amount of the distribution determined under section 301(f)(2) exceeded the basis of the stock determined under section 301(f)(3), and

“(C) paragraph (9) did not apply in respect of such distribution,

then proper adjustment shall be made, under regulations prescribed by the Secretary or his delegate, if such stock (or other property the basis of which is determined by reference to the basis of such stock) is sold or exchanged.”

**74 Stat. 77.**  
**26 USC 543.** (c) Section 543 of the Internal Revenue Code of 1954 (relating to personal holding company income) is amended (1) by adding at the end of paragraph (1) of subsection (a) the following new sentence: “This paragraph shall not apply to a dividend distribution of divested stock (as defined in subsection (e) of section 1111) but only if the stock with respect to which the distribution is made was owned by the distributee on September 6, 1961, or was owned by the distributee for at least 2 years prior to the date on which the antitrust order (as defined in subsection (d) of section 1111) was entered.”; and (2) by adding at the end thereof the following new subsection:

**Ante, p. 4.** “(d) SPECIAL ADJUSTMENT ON DISPOSITION OF ANTITRUST STOCK RECEIVED AS A DIVIDEND.—If—

“(1) a corporation received antitrust stock (as defined in section 301(f)) in a distribution to which section 301 applied,

“(2) the amount of the distribution determined under section 301(f)(2) exceeded the basis of the stock determined under section 301(f)(3), and

“(3) such distribution was includible in personal holding company income under subsection (a) (1), then proper adjustment shall be made, under regulations prescribed by the Secretary or his delegate, to amounts includible in personal holding company income under subsection (a) (2) with respect to such stock (or other property the basis of which is determined by reference to the basis of such stock).”

(d) Subsection (b) of section 545 of the Internal Revenue Code of 1954 (relating to undistributed personal holding company income) is amended by adding at the end thereof the following new paragraphs:

26 USC 545.

“(10) DISTRIBUTIONS OF DIVESTED STOCK.—There shall be allowed as a deduction the amount of any income attributable to the receipt of a distribution of divested stock (as defined in subsection (e) of section 1111), minus the taxes imposed by this subtitle attributable to such receipt, but only if the stock with respect to which the distribution is made was owned by the distributee on September 6, 1961, or was owned by the distributee for at least 2 years prior to the date on which the antitrust order (as defined in subsection (d) of section 1111) was entered.

*Ante*, p. 4.

*Ante*, p. 4.

“(11) SPECIAL ADJUSTMENT ON DISPOSITION OF ANTITRUST STOCK RECEIVED AS A DIVIDEND.—If—

“(A) a corporation received antitrust stock (as defined in section 301(f)) in a distribution to which section 301 applied,

*Ante*, p. 5.  
26 USC 301.

“(B) the amount of the distribution determined under section 301(f) (2) exceeded the basis of the stock determined under section 301(f) (3), and

“(C) Paragraph (10) did not apply in respect of such distribution,

then proper adjustment shall be made, under regulations prescribed by the Secretary or his delegate, if such stock (or other property the basis of which is determined by reference to the basis of such stock) is sold or exchanged.”

(e) Subsection (b) of section 556 of the Internal Revenue Code of 1954 (relating to undistributed foreign personal holding company income) is amended by adding at the end thereof the following new paragraphs:

26 USC 556.

“(7) DISTRIBUTIONS OF DIVESTED STOCK.—There shall be allowed as a deduction the amount of any income attributable to the receipt of a distribution of divested stock (as defined in subsection (e) of section 1111), minus the taxes imposed by this subtitle attributable to such receipt, but only if the stock with respect to which the distribution is made was owned by the distributee on September 6, 1961, or was owned by the distributee for at least 2 years prior to the date on which the antitrust order (as defined in subsection (d) of section 1111) was entered.

“(8) SPECIAL ADJUSTMENT ON DISPOSITION OF ANTITRUST STOCK RECEIVED AS A DIVIDEND.—If—

“(A) a corporation received antitrust stock (as defined in section 301(f)) in a distribution to which section 301 applied,

“(B) the amount of the distribution determined under section 301(f) (2) exceeded the basis of the stock determined under section 301(f) (3), and

“(C) paragraph (7) did not apply in respect of such distribution,

then proper adjustment shall be made, under regulations prescribed by the Secretary or his delegate, if such stock (or other property the basis of which is determined by reference to the basis of such stock) is sold or exchanged.”



68A Stat. 198.  
26 USC 561. (f) Subsection (b) of section 561 of the Internal Revenue Code of 1954 (relating to deduction for dividends paid) is amended to read as follows:

“(b) SPECIAL RULES APPLICABLE.—

26 USC 562. “(1) In determining the deduction for dividends paid, the rules provided in section 562 (relating to rules applicable in determining dividends eligible for dividends paid deduction) and section 563 (relating to dividends paid after the close of the taxable year) shall be applicable.

Ante, p. 5.  
26 USC 301. “(2) If a corporation received antitrust stock (as defined in section 301(f) in a distribution to which section 301 applied and such corporation distributes such stock (or other property the basis of which is determined by reference to the basis of such stock) to its shareholders, proper adjustment shall be made, under regulations prescribed by the Secretary or his delegate, to the amount of the deduction provided for in subsection (a).”

Effective date. (g) The amendments made by this section shall apply only with respect to distributions made after the date of the enactment of this Act.

Approved February 2, 1962.

Public Law 87-404

February 13, 1962  
[H. J. Res. 612]

JOINT RESOLUTION

Making supplemental appropriations for the Veterans Administration for the fiscal year ending June 30, 1962, and for other purposes.

Supplemental appropriations, 1962.  
Veterans Administration. *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Veterans Administration for the fiscal year ending June 30, 1962, namely:

INDEPENDENT OFFICES

VETERANS ADMINISTRATION

READJUSTMENT BENEFITS

For an additional amount for “Readjustment benefits,” \$55,000,000, to remain available until expended.

LOAN GUARANTY REVOLVING FUND

38 USC 1801-1825.  
74 Stat. 532. An additional amount of not to exceed \$115,247,000 shall be available in the “Loan guaranty revolving fund” for expenses for property acquisitions and other loan guaranty and insurance operations under chapter 37, title 38, United States Code, except administrative expenses, as authorized by section 1824 of such title: *Provided*, That in addition to amounts heretofore made available, not to exceed \$115,247,000 of the “Direct loans to veterans and reserves revolving fund” shall be available, during the current fiscal year, for transfer to said “Loan guaranty revolving fund” in such amounts as may be necessary to provide for the foregoing expenses.

Approved February 13, 1962.

## Public Law 87-405

## AN ACT

To authorize an additional Assistant Secretary of Commerce.

February 16, 1962  
[S. 1456]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there shall be in the Department of Commerce, in addition to the Assistant Secretaries now provided by law, one additional Assistant Secretary of Commerce who shall be appointed by the President by and with the advice and consent of the Senate, shall receive compensation at the rate prescribed by law for Assistant Secretaries of Commerce, and shall perform such duties as the Secretary of Commerce shall prescribe.

Commerce Dept.  
Assistant Secretary.

Approved February 16, 1962.

## Public Law 87-406

## AN ACT

Extending to Guam the power to enter into certain interstate compacts relating to the enforcement of the criminal laws and policies of the States.

February 16, 1962  
[H. R. 6243]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of section 111 of title 4 of the United States Code is amended by inserting after the name "the Virgin Islands," the name "Guam".

Guam.  
70 Stat. 1020.

Approved February 16, 1962.

## Public Law 87-407

## AN ACT

To provide for the establishment of the Lincoln Boyhood National Memorial in the State of Indiana, and for other purposes.

February 19, 1962  
[H. R. 2470]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to preserve the site in the State of Indiana associated with the boyhood and family of Abraham Lincoln, the Secretary of the Interior shall designate the original Tom Lincoln farm, the nearby gravesite of Nancy Hanks Lincoln, and such adjoining lands as he deems necessary for establishment as the Lincoln Boyhood National Memorial. However, the area designated for establishment shall not exceed two hundred acres.

Lincoln Boyhood  
National Memorial,  
Ind.  
Establishment.

SEC. 2. The Secretary is authorized to acquire by donation or purchase with donated or appropriated funds, land and interest in land within the designated area. When land has been acquired in sufficient quantity to afford an initially administrable unit of the national park system, he shall establish the Lincoln Boyhood National Memorial by publication of notice thereof in the Federal Register.

Publication in  
F. R.

SEC. 3. The Lincoln Boyhood National Memorial shall be administered by the Secretary of the Interior as a part of the national park system in accordance with provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented.

16 U S C 1-43  
passim.

## Appropriation.

SEC. 4. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this Act, but not more than \$1,000,000, of which not more than \$75,000 shall be expended for the acquisition of lands or interests in land.

Approved February 19, 1962.

## Public Law 87-408

March 2, 1962  
[H. R. 258]

## AN ACT

To amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes.

## D. C. taxes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

TITLE I—AMENDMENTS TO THE DISTRICT OF COLUMBIA SALES TAX ACT AND THE DISTRICT OF COLUMBIA USE TAX ACT

63 Stat. 115.

SEC. 101. (a) Section 125 of the District of Columbia Sales Tax Act (D.C. Code 47-2602) is amended by striking out "2 per centum" and by inserting in lieu thereof "3 per centum", and by striking out in the proviso thereof "3 per centum" and inserting in lieu thereof "4 per centum".

68 Stat. 118.

(b) Subsection (a) of section 127 of such Act (D.C. Code 47-2604 (a)) is amended to read as follows:

"(a) On each sale, other than sales of food for human consumption off the premises where such food is sold, and other than sales or charges for rooms, lodgings, or accommodations furnished to transients, such amounts as may be prescribed by the Board of Commissioners of the District of Columbia to carry out the purposes of this section."

(c) Subsection (c) of section 127 of such Act (D.C. Code 47-2604 (c)) is amended by striking out "3 per centum" and inserting in lieu thereof "4 per centum".

63 Stat. 126.

SEC. 102. Section 212 of the District of Columbia Use Tax Act (D.C. Code 47-2702) is amended by striking out "2 per centum" and inserting in lieu thereof "3 per centum".

Effective date.

SEC. 103. The amendments made by the first two sections of this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act. From and after the effective date of such amendments, all references in the District of Columbia Use Tax Act to sections 125, and 127 of the District of Columbia Sales Tax Act shall be deemed to be references to such sections 125 and 127 as amended by the first section of this title.

TITLE II—AMENDMENTS TO THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

70 Stat. 71.

SEC. 201. Paragraph (1) of subsection 7(a) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended (61 Stat. 353; sec. 47-1586f(a) (1), D.C. Code), is amended to read as follows:

"(1) Except as provided in paragraph (2) of this subsection, the total amount of tax due as shown on the taxpayer's return is due and payable in full at the time prescribed in this article for the filing of such return."

SEC. 202. The provisions of this title shall be applicable to the taxable years beginning after December 31, 1961.

TITLE III—REAL ESTATE DEED RECORDATION TAX  
ACTDistrict of Co-  
lumbia Real Estate  
Deed Recordation  
Tax Act.

SEC. 301. DEFINITIONS.—When used in this title, unless otherwise required by the context—

(a) The word "District" means the District of Columbia.

(b) The word "Commissioners" means the Commissioners of the District of Columbia, or their duly authorized agents or representatives.

(c) The word "deed" means any document, instrument, or writing (other than a will and other than a lease), regardless of where made, executed, or delivered whereby any real property in the District of Columbia, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

(d) The words "real property" mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

(e) The word "consideration", except as otherwise provided in section 304 of this title, means the price or amount actually paid, or required to be paid, for real property including any mortgages, liens, or encumbrances thereon.

(f) The word "person" means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two or more persons.

(g) The word "deficiency" as used in this title means the amount or amounts by which the tax imposed by this title as determined by the Commissioners exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

(h) The word "taxpayer" means any person required by this title to pay a tax, or file a return.

SEC. 302. EXEMPTIONS.—The following deeds shall be exempt from the tax imposed by this title:

1. Deeds recorded prior to the effective date of the enactment of this title.

2. Deeds to property acquired by the United States of America or the District of Columbia.

3. Deeds to property acquired by an institution, organization, corporation, association, or government (other than the United States of America or the District of Columbia) entitled to exemption from real property taxation under the Act of December 24, 1942 (Public Law 846, Seventy-seventh Congress, chapter 826, second session), which property was acquired solely for a purpose or purposes which would entitle such property to exemption under said Act: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

4. Deeds to property acquired by an institution, organization, corporation, or association entitled to exemption from real property taxation by special Act of Congress, which property was acquired solely for a purpose or purposes for which such special exemption was granted: *Provided*, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.

5. Deeds which secure a debt or other obligation.

6. Deeds which, without additional consideration, confirm, correct, modify, or supplement a deed previously recorded.

56 Stat. 1089.  
D. C. Code 47-  
801a to 47-801f.

7. Deeds between husband and wife, or parent and child, without actual consideration therefor.

8. Tax deeds.

9. Deeds of release of property which is security for a debt or other obligation.

SEC. 303. IMPOSITION OF TAX.—(a) There is hereby imposed on each deed at the time it is submitted to the Commissioners for recordation a tax at the rate of one-half of 1 per centum of the consideration for such deed: *Provided*, That in any case where application of the rate of tax to the consideration for a deed results in a total tax of less than \$1 the tax shall be \$1.

(b) Each such deed shall be accompanied by a return under oath in such form as the Commissioners may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Commissioners may require.

(c) The parties to a deed which is submitted to the Commissioners for recordation shall be jointly and severally liable for payment of the taxes imposed by this section: *Provided*, That neither the United States nor the District of Columbia shall be subject to such liability.

(d) The Commissioners are authorized—

(1) to prescribe by regulation for reasonable extensions of time for the filing of the return required by subsection (b) of this section; and

(2) to waive as to any party to a deed the requirement for the filing of a return by such party whenever it shall be determined by the Commissioners that a return cannot be filed: *Provided*, That any waiver granted by the Commissioners to a party shall not, unless specifically authorized, be deemed to be a waiver as to any other party. Any waiver made pursuant to this subsection shall not affect the requirements of subsection (c) of this section.

SEC. 304. ABSENCE OF CONSIDERATION.—Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property shall, for purposes of the tax imposed by this title, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Commissioners shall require. Whenever, in the opinion of the Commissioners, a return does not contain sufficient information as to the fair market value of such real property, the Commissioners are authorized to make a determination thereof from the best information available.

SEC. 305. INVESTIGATION BY COMMISSIONERS.—The Commissioners, for the purpose of ascertaining the correctness of any return, statement, affidavit, or other document filed pursuant to the provisions of this title or pursuant to any regulations of the Commissioners promulgated hereunder, or for the purpose of ascertaining the correctness of any payment of the tax imposed by this title, or the consideration for any deed upon which a tax is imposed, are authorized to examine any books, papers, records, or memorandums of any person bearing upon such matters and may summon any person to appear and produce books, records, papers, or memorandums pertaining thereto and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided then, and in that event, the Commissioners may re-

port that fact to the United States District Court for the District of Columbia, or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpoenas of that court. Any person in custody or control of any books, papers, records, or memorandums bearing upon the matters to which reference is herein made who shall refuse to permit the examination by the Commissioners or any person designated by them of any such books, papers, records, or memorandums, or who shall obstruct or hinder the Commissioners or any person designated by them in the examination of any books, papers, records, or memorandums, shall upon conviction thereof be subject to the penalties provided in this title.

SEC. 306. RECORDATION.—Except as otherwise provided in this title, no deed shall be recorded by the Commissioners until the return required by this title shall have been filed, and the tax imposed by this title shall have been paid.

SEC. 307. PRESUMPTIONS AND BURDEN OF PROOF.—For the purpose of proper administration of this title and to prevent evasion of the tax hereby imposed, it shall be presumed that all deeds are taxable and the burden shall be upon the taxpayer to show that a deed is exempt from tax.

SEC. 308. DEFICIENCIES IN TAX.—(a) If a deficiency in tax is determined by the Commissioners, the person liable for the payment thereof shall be notified by registered or certified mail of said determination which shall include a statement of taxes due and given a period of not less than thirty days after such notice is sent in which to file a protest with the Commissioners and show cause or reason why the deficiency should not be paid. If no protest is filed within such thirty-day period, the deficiency as determined by the Commissioners shall be final. If a protest is filed within said period of thirty days, opportunity for hearing thereon shall be granted by the Commissioners, and a final decision thereon shall be made as quickly as practicable and notice of such decision, together with a statement of taxes finally determined to be due, shall be sent by registered or certified mail to the person liable for the payment of the deficiency.

(b) Any deficiency in tax which has become final in accordance with the provisions of subsection (a) of this section shall, if no protest is filed, be due and payable within ten days after the expiration of the thirty-day period provided in subsection (a) of this section or, if a protest is filed, shall be due and payable within ten days after notice of the final decision of the Commissioners upon such protest is sent to the person liable for payment of the deficiency.

SEC. 309. PENALTIES AND INTEREST.—(a) In case of any failure to make and file a correct return as required by this title within the time prescribed by this title or prescribed by the Commissioners in pursuance of this title, 5 per centum of the tax imposed by this title shall be added to such tax for each month or fraction thereof that such failure continues, not to exceed 25 per centum in the aggregate, except that when a return is filed after such time and it is shown that the failure to file was due to reasonable cause and not due to neglect the Commissioners may in their discretion waive, in whole or in part, the addition to the tax provided by this subsection.

(b) The amount added to any tax under subsection (a) of this section shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of neglect.

(c) Interest upon the amount finally determined as a deficiency shall be assessed at the same time as the deficiency, and shall be collected as a part of the tax, at the rate of one-half of 1 per centum

per month or portion of a month, from the date prescribed for the payment of the tax to the date the deficiency is assessed.

(d) If the time for payment of any part of a deficiency is extended, there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended at the rate of one-half of 1 per centum per month or portion of a month for the period of the extension. If a part of the deficiency the time for payment of which is so extended is not paid in full, together with all penalties and interest due thereon, prior to the expiration of the period of the extension, then interest at the rate of one-half of 1 per centum per month or portion of a month shall be added and collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

(e) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per centum of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

(f) If any part of any deficiency is due to fraud with intent to evade tax, then 50 per centum of the total amount of the deficiency (in addition to such deficiency) shall be so assessed, collected, and paid.

(g) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subsection (c), (e), or (f) is not paid in full within the time prescribed by this section, there shall be collected as part of the tax interest upon the unpaid amount at the rate of one-half of 1 per centum per month or portion of a month from the date when such unpaid amount was due until it is paid.

(h) The Commissioners are authorized at the request of the taxpayer to extend the time for payment by the taxpayer of the amount of the tax imposed by this title, whether determined as a deficiency or otherwise, for a period not to exceed six months from the date prescribed for the payment of such tax.

SEC. 310. COMPROMISE AND SETTLEMENT.—(a) Whenever in the opinion of the Commissioners there shall arise with respect of any tax imposed under this title any doubt as to the liability of the taxpayer or the collectibility of the tax for any reason whatsoever, the Commissioners may compromise such tax.

(b) The Commissioners are authorized to enter into a written agreement with any person relating to the liability of such person for payment of the tax imposed under this title. Any such agreement which is approved by the Commissioners and the taxpayer involved, or his authorized agent or representative, shall be final and conclusive and—except upon a showing of fraud, malfeasance, or misrepresentation of a material fact—the case shall not be reopened as to the matters agreed upon or the agreement modified; and in any suit or proceeding relating to the tax liability of the taxpayer such agreement shall not be annulled, modified, set aside, or disregarded.

(c) Any person who, in connection with any compromise under this section or offer of such compromise or in connection with any written agreement under this section or offer to enter into any such agreement, conceals from any officer or employee of the District of Columbia any material fact relating to the tax imposed by this title; destroys, mutilates, or falsifies any books, documents, or record; or makes under oath any false statements relating to the tax imposed by this title shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than one year, or both. All prosecutions under this section shall be brought in the municipal court of the District of Columbia, in the name of the District of Columbia, on information by the

Corporation Counsel of the District of Columbia or any of his assistants.

**SEC. 311. COMPROMISE OF PENALTIES AND ADJUSTMENT OF INTEREST.**—The Commissioners shall have the power for cause shown to compromise any penalty which may be imposed under the provisions of this title. The Commissioners may adjust any interest, where, in their opinion, the facts in the case warrant such action.

**SEC. 312. LIMITATIONS.**—(a) Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within three years after the deed is recorded by the Commissioners and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

(b) In the case of a false or fraudulent return, with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

(c) In case of a willful attempt in any manner to defeat or evade the tax imposed by this title, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

(d) In the case of failure to file a return, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

(e) Where, before the expiration of the time prescribed in this section for the assessment of the tax imposed by this title, the Commissioners and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(f) The running of the period of limitations provided in this section on the making of assessments, or the collection of the tax imposed by this title in any manner authorized by law, shall be suspended for any period during which the Commissioners are prohibited from making the assessment or from collecting said tax, and for ninety days thereafter: *Provided*, That in any case where a proceeding is commenced by a taxpayer in any court in connection with the tax imposed by this title, the running of the period of limitations shall be suspended for the period of the pendency of such proceeding and for ninety days after the decision of the court shall have become final or, if the proceeding shall have been dismissed or otherwise disposed of, for a period of ninety days after such dismissal or other disposition.

**SEC. 313. ADMINISTRATION OF OATHS.**—The Commissioners are authorized to administer oaths and affidavits in relation to any matter or proceeding conducted by them in the exercise of their powers and duties under this title.

**SEC. 314. APPEAL.**—(a) Any person aggrieved by any assessment of a deficiency in tax finally determined by the Commissioners under the provisions of section 308 of this title may appeal to the District of Columbia Tax Court in the same manner and to the same extent as set forth in sections 3, 4, 7, 8, 9, 10, 11, and 12 of title IX of the Act entitled "An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes", approved May 16, 1938, as amended and as the same may hereinafter be amended.

(b) The remedy provided in subsection (a) of this section shall not be deemed to take away from the taxpayer any remedy which he might have under any other provision of law but no suit by the taxpayer for the recovery of any part of the tax imposed shall be instituted or maintained in any court if the taxpayer has elected to file an appeal with

52 Stat. 371.  
D. C. Code 47-  
2403 to 47-2411.



respect to such tax, or any part thereof, in accordance with the provisions of subsection (a) of this section.

SEC. 315. REFUNDS AND COLLECTION.—The provisions of section 14 of title IX of the District of Columbia Revenue Act of 1937, as added by the Act of May 16, 1938, and as amended by the Act of July 26, 1939, and as added by section 4 of the Act of July 10, 1952, and the provisions of section 1601 and section 1602 of title XVI of the District of Columbia Public Works Act of 1954 shall be applicable to the tax imposed by this title.

SEC. 316. STAMPS.—The Commissioners are authorized to prescribe by regulation such methods or devices, or both, including the use of a stamp or stamps, for the evidencing of payment, and the collection of the taxes imposed by this title, as they may deem necessary and proper for the administration of this title.

SEC. 317. PROMULGATION OF RULES AND REGULATIONS.—The Commissioners are hereby authorized to prescribe such rules and regulations as they may deem necessary to carry out the purposes of this title.

SEC. 318. ABATEMENT.—The Commissioners are authorized to abate the unpaid portion of any tax due under the provisions of this title, or any liability in respect thereof, if the Commissioners determine under rule or regulation prescribed by them that the administration and collection costs involved would not warrant collection of the amount due.

SEC. 319. ELIMINATION OF FRACTIONAL STAMPS OR DEVICES.—For the purpose of avoiding, in the case of any stamps or devices employed pursuant to authority of this title, the issuance of stamps or the employment of devices representing fractional parts of \$1, the Commissioners are authorized, in their discretion, to limit the denominations of such stamps or devices to amounts representing \$1 or multiples of \$1, and to prescribe further that where part of the tax due is a fraction of \$1, the tax paid shall be paid to the nearest dollar.

SEC. 320. GENERAL CRIMINAL PENALTY.—Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations promulgated under the authority of this title, shall be subject to a fine of not more than \$1,000, or to imprisonment of not more than one year, or to both such fine and imprisonment. Prosecutions for violations of this title shall be on information filed in the municipal court for the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants, except for such violations as are felonies, and prosecutions for such violations as are felonies shall be by the United States attorney in and for the District of Columbia, or any of his assistants.

SEC. 321. CRIMINAL PENALTY AS TO STAMPS.—(1) Any person who, with intent to defraud, alters, forges, makes, or counterfeits any stamp, or other device prescribed under authority of this title for the collection or payment of any tax imposed by this title, or sells, lends, or has in his possession any such altered, forged, or counterfeited stamp, or other device, or makes, uses, sells, or has in his possession any material in imitation of the material used in the manufacture of such stamp, or other device; or

(2) Fraudulently cuts, tears, or removes from any deed, parchment, paper, instrument, writing, or article, upon which any tax is imposed by this title, any adhesive stamp or the impression of any stamp, die, plate, or other article provided, made, or used in pursuance of this title; or

(3) Fraudulently uses, joins, fixes, or places to, with, or upon any deed, parchment, paper, instrument, writing, or article, upon which a tax is imposed by this title,

66 Stat. 546.  
D. C. Code 47-  
2413.

68 Stat. 119.  
D. C. Code 47-  
312, 313.

(a) any adhesive stamp, or the impression of any stamp, die, plate, or other article, which has been cut, torn, or removed from any other deed, parchment, paper, instrument, writing, or article upon which any tax is imposed by this title; or

(b) any adhesive stamp or the impression of any stamp, die, plate, or other article of insufficient value; or

(c) any forged or counterfeited stamp, or the impression of any forged or counterfeited stamp, die, plate, or other article; or

(4) (a) Willfully removes, or alters the cancellation or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has already been used; or

(b) knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same; or

(c) knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any deed, parchment, paper, instrument, writing, package, or article;

shall be guilty of a felony and, upon conviction thereof, shall be fined not more than \$5,000, or imprisoned not more than three years, or both.

SEC. 322. DISPOSITION OF FUNDS.—All moneys collected under this title shall be deposited in the Treasury of the United States to the credit of the general fund of the District of Columbia.

SEC. 323. SEPARABILITY CLAUSE.—If any provision of this title, or the application thereof to any person or circumstances, is held invalid the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 324. APPROPRIATIONS.—There are hereby authorized to be appropriated such amounts as may be necessary for the carrying out of the provisions of this title, including the use of stamps or other devices for evidencing payment of the tax imposed by this title.

SEC. 325. EFFECTIVE DATE.—The provisions of this title shall take effect on the first day of the first month which begins on or after the sixtieth day after the enactment of this Act.

SEC. 326. SHORT TITLE.—This title may be cited as the "District of Columbia Real Estate Deed Recordation Tax Act".

#### TITLE IV—AMENDMENTS TO THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

SEC. 401. Clauses (4) and (5) of subsection (a) of section 23 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25-124) are each amended by striking out "\$1.25" and inserting in lieu thereof "\$1.50".

70 Stat. 81.

SEC. 402. The amendments made by this title shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act.

Effective date.

#### TITLE V—AMENDMENTS TO WATER RENT RATES AND SANITARY SEWER SERVICE CHARGES

SEC. 501. Section 101 of title I of the District of Columbia Public Works Act of 1954 (68 Stat. 101; sec. 43-1520c, D.C. Code) is amended by inserting the subsection designation "(a)" immediately after "Sec. 101", and by adding to such section the following subsection:

"(b) Notwithstanding the provisions of subsection (a) of this section, the Commissioners are authorized, in their discretion, to increase the rates charged by the District for water and water services furnished by the District water supply system: *Provided*, That no

such increase shall exceed 25 per centum of the rate or rates in effect on January 1, 1961."

68 Stat. 106. SEC. 502. Section 207 of title II of such Act (sec. 43-1606, D.C. Code) is amended by striking "60 per centum" wherever it occurs in such section and in each such instance inserting in lieu thereof "75 per centum".

SEC. 503. Section 208 of title II of such Act (sec. 43-1607, D.C. Code) is amended by adding thereto the following new subsection:

"(c) If at any time, or from time to time, the Commissioners shall change the established sanitary sewer service charge, the sanitary sewer service charge for any period beginning prior to any such change and ending thereafter shall be prorated on a monthly basis, in accordance with the established charges prevailing in the respective periods."

Effective date.

SEC. 504. The provisions of this title shall become effective on the first day of the third month which begins after the date of enactment of this Act.

#### TITLE VI—AMENDMENTS TO THE DISTRICT OF COLUMBIA MOTOR VEHICLE PARKING FACILITY ACT OF 1942

SEC. 601. Section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows:

56 Stat. 93.  
D. C. Code 40-  
808.

"SEC. 7. All fees and other moneys collected under this Act, including all fees collected pursuant to section 11 of the Act entitled 'An Act making appropriations to the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1939, and for other purposes', approved April 4, 1938 (District of Columbia Code, sec. 40-616), and the Act entitled 'An Act to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the Municipal Center', approved June 6, 1940 (54 Stat. 241), and all moneys derived from the sale or assignment of any property, real or personal, shall be deposited in a special account within the highway fund established in the first section of the Act entitled 'An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924, as amended (District of Columbia Code, sec. 47-1901). Moneys deposited in such special account shall be available, first, to defray the expenses of enforcing laws, rules, and regulations relating to the parking of vehicles in the District of Columbia; second, to defray the expenses of operating parking facilities under this Act; third, for the acquisition, creation, and operation of parking facilities exempt from section 10 of this Act; and fourth, for the maintenance of highways within the District of Columbia, including the removal of snow and ice therefrom, and the purchase or rental of necessary equipment."

52 Stat. 192.

D. C. Code 40-  
604a.

43 Stat. 106.

D. C. Code 40-  
809.

D. C. Code 47-  
1901.

D. C. Code 40-  
801.

SEC. 602. The first sentence of section 8 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended to read as follows: "The Commissioners shall include in their annual budget such amounts as may be required from the highway fund established in the first section of the Act of April 23, 1924, for the purpose of carrying out the provisions of this Act."

SEC. 603. The District of Columbia Motor Vehicle Parking Facility Act of 1942 is amended by renumbering section 10 thereof as section 11 and by inserting immediately following section 9 the following new section:

"SEC. 10. Notwithstanding any provision of this Act, no real property shall be acquired under the authority of this Act for use as a

parking facility on or after the date of enactment of this section, and the Commissioners and the agency are authorized to operate and maintain only those parking facilities which have been established prior to the date of enactment of this section. No such existing parking facility shall be expanded or otherwise altered except to the extent as may be necessary to permit its continued operation in the same manner as it was being operated immediately before the date of enactment of this section. This section shall not apply to (1) any parking facility which is limited to use by officers and employees of the Governments of the United States or of the District of Columbia by reason of their employment by any such Government, (2) any fringe parking facility, and (3) any parking facility located on property of the District of Columbia beneath any elevated portion of a public highway."

Nonapplicabil-  
ity.

Transfer of  
funds.

D. C. Code 40-  
808.

SEC. 604. All fees and other moneys which have been deposited in the special account of the Treasury of the United States before the date of enactment of this title to the credit of the District of Columbia in accordance with section 7 of the District of Columbia Motor Vehicle Parking Facility Act of 1942 are hereby transferred to the special account established in the highway fund by the amendment made to section 7 of such Motor Vehicle Parking Act of 1942 by section 601 of this title, and such funds shall be available for the purposes provided in such amendment to such section 7.

Approved March 2, 1962.

## Public Law 87-409

### AN ACT

March 3, 1962  
[H. R. 74]

To reimburse the city of New York for expenditure of funds to rehabilitate slip 7 in the city of New York for use by the United States Army.

New York City.  
Reimbursement.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of New York the sum of \$8,872.56. The payment of such sum shall be in full settlement of all claims of the said city of New York against the United States for reimbursement for actual expenses borne by the city of New York in excess of \$100,000 for its allotted share in the rehabilitation of slip 7 in the city of New York for the use of the United States Army, and such rehabilitation inured to the benefit of the United States: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim.

Approved March 3, 1962.

## Public Law 87-410

### AN ACT

March 3, 1962  
[H. R. 8842]

To amend subsection (h) of section 124 of the Agricultural Enabling Amendments Act of 1961.

Wheat storage.  
75 Stat. 300.  
7 USC 1334 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (h) of section 124 of the Agricultural Enabling Amendments Act of 1961 be amended by striking, following the word "subsection", "(a) or", and striking out the words "diverted acres" and inserting in lieu thereof "acres diverted from the 1962 allotment".

Approved March 3, 1962.

## Public Law 87-411

March 3, 1962  
[H. R. 4934]

## AN ACT

To authorize the Secretary of Agriculture to modify certain leases entered into for the provision of recreation facilities in reservoir areas.

Reservoir areas.  
Recreation facilities.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Agriculture is authorized to amend any lease entered into with respect to lands under the jurisdiction of the Forest Service providing for the construction, maintenance, and operation of commercial recreational facilities at a Federal reservoir project so as to provide for the adjustment, either by increase or decrease, from time to time during the term of such lease of the amount of rental or other consideration payable to the United States under such lease, when and to the extent he determines such adjustment to be necessary or advisable in the public interest. No adjustment shall be made under the authority of this Act so as to increase or decrease the amount of rental or other consideration payable under such lease for any period prior to the date of such adjustment.

Approved March 3, 1962.

## Public Law 87-412

March 6, 1962  
[H. R. 9013]

## AN ACT

To provide for the transfer of rice acreage history where producer withdraws from the production of rice.

Rice acreage allotments.

63 Stat. 1059.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 353 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1353), be amended by adding at the end thereof a new subsection (f) to read as follows:

“(f) (1) If a producer in a State in which farm rice acreage allotments are determined on the basis of past production of rice by the producer on the farm, dies, his history of rice production shall be apportioned in whole or in part among his heirs or devisees according to the extent to which they may continue, or have continued, his farming operations, if satisfactory proof of such succession of farming operations is furnished the Secretary.

“(2) If a producer in a State in which farm rice acreage allotments are determined on the basis of past production of rice by the producer on the farm withdraws in whole or in part from rice production in favor of a member or members of his family who will succeed to his farming operations that portion of his rice history acreage as may be ascribed to such withdrawal may be transferred to such family member or members, as the case may be, if satisfactory proof of such relationship and succession of farming operations by such family member or members is furnished the Secretary.

“(3) If a producer in a State in which farm rice acreage allotments are determined on the basis of past production of rice by the producer on the farm permanently withdraws from rice production, his rice history acreage may be transferred to another producer or producers who have had previous rice-producing experience, provided the following conditions are met: (i) The transferee must acquire the entire farming operation pertaining to rice, including all production and harvesting equipment, any irrigation equipment not permanently attached to the land, and any land owned by the transferor to which

any of the transferred rice history acreage may be ascribed; and (ii) the transferee must actually plant at least 90 per centum of his total producer rice acreage allotment, including the allotment determined on the basis of the rice history acreage acquired from the transferor for at least three out of the next four years following the transfer. Failure by the transferee to comply with condition (ii) above shall result in cancellation of the transfer of the rice history acreage. The transferor of rice acreage history under this subsection shall not be eligible for a producer rice acreage allotment for any year subsequent to such transfer, except to the extent that such allotment may be based on rice history acquired in a year (subsequent to the transfer) for which rice acreage allotments are not in effect.

“(4) Upon dissolution of a partnership in a State in which farm rice acreage allotments are determined on the basis of past production of rice by the producer on the farm, the partnership’s history of rice production shall be divided among the partners in such proportion as agreed upon in writing by the partners: *Provided*, That if a partnership was formed in a year in which allotments were in effect and is dissolved in less than three consecutive crop years after the partnership became effective, the rice acreage allotment established for the partnership and rice history acreages credited to the partnership for each of the years during its existence shall be divided among the partners in the same proportion that each partner contributed to the allotment established for the partnership at the time such partnership was formed. The rice history acreage credited to each of the partners for the years prior to the time the partnership was formed shall revert to the person to whom it was originally credited.”

Approved March 6, 1962.

## Public Law 87-413

### AN ACT

To provide for the appointment of two additional judges for the juvenile court of the District of Columbia.

March 9, 1962  
[S. 486]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 19 of the Juvenile Court Act of the District of Columbia, approved June 1, 1938, as amended (D.C. Code, sec. 11-920), is amended to read as follows:

D. C. Juvenile  
court.  
Additional  
judges.  
52 Stat. 601.

#### “APPOINTMENT, QUALIFICATIONS, OATH, AND SALARY OF JUDGES

“SEC. 19. (a) The juvenile court of the District of Columbia shall consist of three judges learned in the law and appointed by the President, by and with the advice and consent of the Senate. Each judge appointed after the date of the enactment of this subsection shall serve for a term of ten years or until his successor is appointed and qualified.

“(b) To be eligible for appointment as judge of the juvenile court a person must (1) have been a member of the bar of the District of Columbia for a period of five years preceding his appointment, (2) during a period of ten years immediately preceding his appointment, have been a resident of the District of Columbia or of the metropolitan area of the District for at least five years, of which not less than three years shall immediately precede his appointment, and (3) have a broad knowledge of social problems and procedures and an understanding of child psychology. For the purpose of this subsection the term ‘metropolitan area of the District’ means Montgomery and Prince Georges Counties in Maryland and Arlington and Fairfax Counties and the

“Metropolitan  
area of the Dis-  
trict.”

cities of Alexandria and Falls Church in Virginia. Each judge shall, before entering upon the duties of his office, take the oath prescribed for judges of the courts of the United States.

“(c) The President shall designate one of the judges to be the chief judge of the juvenile court. The chief judge shall be responsible for the administration of the court. During the temporary absence or disability of the chief judge, the associate judge of the juvenile court designated by the chief judge or acting chief judge of the United States District Court for the District of Columbia shall be responsible for the administration of the court. The salary of the chief judge shall be equal to the salary of the chief judge of the municipal court for the District of Columbia, and the salary of each associate judge shall be equal to the salary of an associate judge of the municipal court for the District of Columbia.”

SEC. 2. The judge of the juvenile court of the District of Columbia who, on the date of the enactment of this Act, is occupying the position of judge created by the Juvenile Court Act of the District of Columbia, approved June 1, 1938, shall continue in office and shall be deemed to be occupying one of the three positions of judge provided for by section 19 of such Act, as amended by the first section of this Act, until the term for which he was appointed shall expire and his successor is duly appointed and qualified. Such judge shall be entitled to compensation in accordance with the provisions of section 19 of the Juvenile Court Act of the District of Columbia as amended by the first section of this Act.

SEC. 3. (a) Section 20 of the Juvenile Court Act of the District of Columbia is amended by striking out “death of the” and inserting in lieu thereof “death of any”.

(b) Sections 3 and 27 of such Act are amended by striking the word “judge” wherever it appears therein and inserting in lieu thereof the word “judges”.

(c) Sections 22 and 24 of such Act are amended by inserting the word “chief” immediately before the word “judge” wherever the same appears therein.

(d) Sections 5, 13, 26, and 36 of such Act are amended by striking out “the judge” wherever it appears in such sections and inserting in lieu thereof “a judge”.

(e) Section 23 of such Act is amended (1) by striking from the second sentence “the judge” and inserting in lieu thereof “a judge”; and (2) by striking out “the judge as he may direct and keep full records of its work”, and inserting in lieu thereof “the court as it may direct and such department shall keep full records of its work”.

(f) Subsection (b) of section 28 of such Act is amended by striking out “The judge may also provide by rule or”, and inserting in lieu thereof “The court may also provide by rule or a judge may provide by”.

(g) Section 42 of such Act is amended by striking out “judge and other”.

SEC. 4. Section 21 of the Juvenile Court Act of the District of Columbia is amended by striking the word “judge” and inserting in lieu thereof the word “court”.

SEC. 5. The Juvenile Court Act of the District of Columbia is amended by adding at the end thereof the following new section:

“SEC. 45. The chief judge or the acting chief judge of the juvenile court shall submit to the Attorney General of the United States and to the President of the Board of Commissioners of the District of Columbia a detailed quarterly report of the work of the court, such report to be made within thirty days of the end of the quarter, and to

D. C. Code 11-920.

52 Stat. 601.  
D. C. Code 11-921.

D. C. Code 11-904, 928.

D. C. Code 11-923, 925.

D. C. Code 11-906, 914, 927, 937.

D. C. Code 11-924.

D. C. Code 11-929.

D. C. Code 11-942.

D. C. Code 11-922.

52 Stat. 596.  
D. C. Code 11-902.  
Report.

include the number of juvenile and adult cases heard, the number of juvenile and adult cases calendared, the number of juvenile and adult complaints filed, the number of juvenile cases closed without court hearing, moneys collected for fines and support of legitimate and illegitimate family members, and such other information as may reflect the court's operation and volume of work. A copy of such report shall be kept in the office of the clerk of the court and be subject to public inspection during the regular hours that the court shall be open for business."

SEC. 6. Wherever in any laws of the United States reference is made to the judge of the juvenile court of the District of Columbia such reference shall be construed to mean any judge of such court.

Approved March 9, 1962.

## Public Law 87-414

### AN ACT

To provide for a further temporary increase in the public debt limit set forth in the Second Liberty Bond Act.

March 13, 1962  
[H. R. 10050]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, during the period beginning on the date of the enactment of this Act and ending on June 30, 1962, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), shall be temporarily increased by \$2,000,000,000. Such increase shall be in addition to the temporary increase provided by the Act of June 30, 1961 (Public Law 87-69; 75 Stat. 148).

Public debt.  
Temporary in-  
crease.

Post, p. 124.

Approved March 13, 1962.

## Public Law 87-415

### AN ACT

Relating to manpower requirements, resources, development, and utilization, and for other purposes.

March 15, 1962  
[S. 1991]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Manpower Development and Training Act of 1962".

Manpower Devel-  
opment and Train-  
ing Act of 1962.

## TITLE I—MANPOWER REQUIREMENTS, DEVELOPMENT, AND UTILIZATION

### STATEMENT OF FINDINGS AND PURPOSE

SEC. 101. The Congress finds that there is critical need for more and better trained personnel in many vital occupational categories, including professional, scientific, technical, and apprenticeable categories; that even in periods of high unemployment, many employment opportunities remain unfilled because of the shortages of qualified personnel; and that it is in the national interest that current and prospective manpower shortages be identified and that persons who can be qualified for these positions through education and training be sought out and trained, in order that the Nation may meet the staffing requirements of the struggle for freedom. The Congress further finds that the skills of many persons have been rendered obsolete by



dislocations in the economy arising from automation or other technological developments, foreign competition, relocation of industry, shifts in market demands, and other changes in the structure of the economy; that Government leadership is necessary to insure that the benefits of automation do not become burdens of widespread unemployment; that the problem of assuring sufficient employment opportunities will be compounded by the extraordinarily rapid growth of the labor force in the next decade, particularly by the entrance of young people into the labor force, that improved planning and expanded efforts will be required to assure that men, women, and young people will be trained and available to meet shifting employment needs; that many persons now unemployed or underemployed, in order to become qualified for reemployment or full employment must be assisted in providing themselves with skills which are or will be in demand in the labor market; that the skills of many persons now employed are inadequate to enable them to make their maximum contribution to the Nation's economy; and that it is in the national interest that the opportunity to acquire new skills be afforded to these people in order to alleviate the hardships of unemployment, reduce the costs of unemployment compensation and public assistance, and to increase the Nation's productivity and its capacity to meet the requirements of the space age. It is therefore the purpose of this Act to require the Federal Government to appraise the manpower requirements and resources of the Nation, and to develop and apply the information and methods needed to deal with the problems of unemployment resulting from automation and technological changes and other types of persistent unemployment.

#### EVALUATION, INFORMATION, AND RESEARCH

SEC. 102. To assist the Nation in accomplishing the objectives of technological progress while avoiding or minimizing individual hardship and widespread unemployment, the Secretary of Labor shall—

(1) evaluate the impact of, and benefits and problems created by automation, technological progress, and other changes in the structure of production and demand on the use of the Nation's human resources; establish techniques and methods for detecting in advance the potential impact of such developments; develop solutions to these problems, and publish findings pertaining thereto;

(2) establish a program of factual studies of practices of employers and unions which tend to impede the mobility of workers or which facilitate mobility, including but not limited to early retirement and vesting provisions and practices under private compensation plans; the extension of health, welfare, and insurance benefits to laid-off workers; the operation of severance pay plans; and the use of extended leave plans for education and training purposes. A report on these studies shall be included as a part of the Secretary's report required under section 104.

(3) appraise the adequacy of the Nation's manpower development efforts to meet foreseeable manpower needs and recommend needed adjustments, including methods for promoting the most effective occupational utilization of and providing useful work experience and training opportunities for untrained and inexperienced youth;

(4) promote, encourage, or directly engage in programs of information and communication concerning manpower requirements, development, and utilization, including prevention and amelioration of undesirable manpower effects from automation

and other technological developments and improvement of the mobility of workers; and

(5) arrange for the conduct of such research and investigations as give promise of furthering the objectives of this Act.

#### SKILL AND TRAINING REQUIREMENTS

SEC. 103. The Secretary of Labor shall develop, compile, and make available, in such manner as he deems appropriate, information regarding skill requirements, occupational outlook, job opportunities, labor supply in various skills, and employment trends on a National, State, area, or other appropriate basis which shall be used in the educational, training, counseling, and placement activities performed under this Act.

#### MANPOWER REPORT

SEC. 104. The Secretary of Labor shall make such reports and recommendations to the President as he deems appropriate pertaining to manpower requirements, resources, use, and training; and the President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1963) a report pertaining to manpower requirements, resources, utilization, and training.

Reports to President and Congress.

## TITLE II—TRAINING AND SKILL DEVELOPMENT PROGRAMS

### PART A—DUTIES OF THE SECRETARY OF LABOR

#### GENERAL RESPONSIBILITY

SEC. 201. In carrying out the purposes of this Act, the Secretary of Labor shall determine the skill requirements of the economy, develop policies for the adequate occupational development and maximum utilization of the skills of the Nation's workers, promote and encourage the development of broad and diversified training programs, including on-the-job training, designed to qualify for employment the many persons who cannot reasonably be expected to secure full-time employment without such training, and to equip the Nation's workers with the new and improved skills that are or will be required.

#### SELECTION OF TRAINEES

SEC. 202. (a) The Secretary of Labor shall provide a program for testing, counseling, and selecting for occupational training under this Act those unemployed or underemployed persons who cannot reasonably be expected to secure appropriate full-time employment without training. Whenever appropriate the Secretary shall provide a special program for the testing, counseling, and selection of youths, sixteen years of age or older, for occupational training and further schooling. Workers in farm families with less than \$1,200 annual net family income shall be considered unemployed for the purpose of this Act.

Workers in farm families.

(b) Although priority in referral for training shall be extended to unemployed persons, the Secretary of Labor shall, to the maximum extent possible, also refer other persons qualified for training programs which will enable them to acquire needed skills. Priority in referral for training shall also be extended to persons to be trained for skills needed within, first, the labor market area in which they reside and, second, within the State of their residence.

Priority standards.

(c) The Secretary of Labor shall determine the occupational training needs of referred persons, provide for their orderly selection and referral for training under this Act, and provide counseling and placement services to persons who have completed their training, as well as follow-up studies to determine whether the programs provided meet the occupational training needs of the persons referred.

(d) Before selecting a person for training, the Secretary shall determine that there is a reasonable expectation of employment in the occupation for which the person is to be trained. If such employment is not available in the area in which the person resides, the Secretary shall obtain reasonable assurance of such person's willingness to accept employment outside his area of residence.

Duration of training program.

(e) The Secretary shall not refer persons for training in an occupation which requires less than two weeks training, unless there are immediate employment opportunities in such occupation.

(f) The duration of any training program to which a person is referred shall be reasonable and consistent with the occupation for which the person is being trained.

Termination of training.

(g) Upon certification by the responsible training agency that a person who has been referred for training does not have a satisfactory attendance record or is not making satisfactory progress in such training absent good cause, the Secretary shall forthwith terminate his training and subsistence allowances, and his transportation allowances except such as may be necessary to enable him to return to his regular place of residence after termination of training, and withdraw his referral. Such person shall not be eligible for such allowances for one year thereafter.

#### TRAINING ALLOWANCES

Agreements with States.

SEC. 203. (a) The Secretary of Labor may, on behalf of the United States, enter into agreements with States under which the Secretary of Labor shall make payments to such States either in advance or by way of reimbursement for the purpose of enabling such States, as agents for the United States, to make payment of weekly training allowances to unemployed persons selected for training pursuant to the provisions of section 202 and undergoing such training in a program operated pursuant to the provisions of this Act. Such payments shall be made for a period not exceeding fifty-two weeks, and the amount of any such payment in any week for persons undergoing training, including uncompensated employer-provided training, shall not exceed the amount of the average weekly unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent quarter for which such data are available: *Provided however*, That in any week an individual who, but for his training, would be entitled to unemployment compensation in excess of such allowance, shall receive an allowance increased by the amount of such excess. With respect to Guam and the Virgin Islands the Secretary shall by regulation determine the amount of the training allowance to be paid any eligible person taking training under this Act.

Guam and Virgin Islands.

68 Stat. 1130,  
42 USC 1361-  
1371.

With respect to any week for which a person receives unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law which is less than the average weekly unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payment during the most recent quarter for which such data are available, a supplemental training allowance may be paid to a person eligible for a training allowance under this Act.

This supplemental training allowance shall not exceed the difference between his unemployment compensation and the average weekly unemployment compensation payment referred to above.

For persons undergoing on-the-job training, the amount of any payment which would otherwise be made by the Secretary of Labor under this section shall be reduced by an amount which bears the same ratio to that payment as the number of compensated hours per week bears to forty hours.

(b) The Secretary of Labor is authorized to pay to any person engaged in training under this title, including compensated full-time on-the-job training, such sums as he may determine to be necessary to defray transportation and subsistence expenses for separate maintenance of such persons when such training is provided in facilities which are not within commuting distance of their regular place of residence: *Provided*, That the Secretary in defraying such subsistence expenses shall not afford any individual an allowance exceeding \$35 per week, at the rate of \$5 per day; nor shall the Secretary authorize any transportation expenditure exceeding the rate of 10 cents per mile.

(c) The Secretary of Labor shall pay training allowances only to unemployed persons who have had not less than three years of experience in gainful employment and are either heads of families, or heads of households as defined in the Internal Revenue Code of 1954, except that he may pay training allowances at a rate not exceeding \$20 a week to youths over nineteen but under twenty-two years of age where such allowances are necessary to provide them occupational training, but not more than 5 per centum of the estimated total training allowances paid annually under this section may be paid to such youths.

(d) After June 30, 1964, any amount paid to a State for training allowances under this section, or as reimbursement for unemployment compensation under subsection (h), shall be paid on condition that such State shall bear 50 per centum of the amount of such payments.

(e) No training allowance shall be made to any person otherwise eligible who, with respect to the week for which such payment would be made, has received or is seeking unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law, but if the appropriate State or Federal agency finally determines that a person denied training allowances for any week because of this subsection was not entitled to unemployment compensation under title XV of the Social Security Act or such Federal or State law with respect to such week, this subsection shall not apply with respect to such week.

(f) A person who refuses, without good cause, to accept training under this Act shall not, for one year thereafter, be entitled to training allowances.

(g) Any agreement under this section may contain such provisions (including, as far as may be appropriate, provisions authorized or made applicable with respect to agreements concluded by the Secretary of Labor pursuant to title XV of the Social Security Act) as will promote effective administration, protect the United States against loss and insure the proper application of payments made to the State under such agreement. Except as may be provided in such agreements, or in regulations hereinafter authorized, determinations by any duly designated officer or agency as to the eligibility of persons for weekly training allowances under this section shall be final and conclusive for any purposes and not subject to review by any court or any other officer.

(h) If State unemployment compensation payments are paid to a person taking training under this Act and eligible for a training allowance, the State making such payments shall be reimbursed from

On-the-job train-  
ees.

Limitations.

68A Stat. 3.  
26 USC 1.

Payments to  
States.

68 Stat. 1130.  
42 USC 1361-  
1371.

Finality of deter-  
minations.

State unemploy-  
ment compensation  
payments.

funds herein appropriated. The amount of such reimbursement shall be determined by the Secretary of Labor on the basis of reports furnished to him by the States and such amount shall then be placed in the State's unemployment trust fund account.

(i) A person who, in connection with an occupational training program, has received a training allowance or whose unemployment compensation payments were reimbursed under the provisions of this Act or any other Federal Act shall not be entitled to training allowances under this Act for one year after the completion or other termination (for other than good cause) of the training with respect to which such allowance or payment was made.

(j) No training allowance shall be paid to any person who is receiving training for an occupation which requires a training period of less than six days.

#### ON-THE-JOB TRAINING

SEC. 204. (a) The Secretary of Labor shall encourage, develop, and secure the adoption of programs for on-the-job training needed to equip persons selected for training with the appropriate skills. The Secretary shall, to the maximum extent possible, secure the adoption by the States and by private and public agencies, employers, trade associations, labor organizations and other industrial and community groups which he determines are qualified to conduct effective training programs under this title of such programs as he approves, and for this purpose he is authorized to enter into appropriate agreements with them.

Training standards.

(b) In adopting or approving any training program under this part, and as a condition to the expenditure of funds for any such program, the Secretary shall make such arrangements as he deems necessary to insure adherence to appropriate training standards, including assurances—

(1) that the training content of the program is adequate, involves reasonable progression, and will result in the qualification of trainees for suitable employment;

(2) that the training period is reasonable and consistent with periods customarily required for comparable training;

(3) that adequate and safe facilities, and adequate personnel and records of attendance and progress are provided; and

(4) that the trainees are compensated by the employer at such rates, including periodic increases, as may be deemed reasonable under regulations hereinafter authorized, considering such factors as industry, geographical region, and trainee proficiency.

(c) Where on-the-job training programs under this part require supplementary classroom instruction, appropriate arrangements for such instruction shall be agreed to by the Secretary of Health, Education, and Welfare and the Secretary of Labor.

#### NATIONAL ADVISORY COMMITTEE

SEC. 205. (a) The Secretary shall appoint a National Advisory Committee which shall consist of ten members and shall be composed of representatives of labor, management, agriculture, education, and training, and the public in general. From the members appointed to such Committee the Secretary shall designate a Chairman. Such Committee, or any duly established subcommittee thereof, shall from

time to time make recommendations to the Secretary relative to the carrying out of his duties under this Act. Such Committee shall hold not less than two meetings during each calendar year.

(b) The National Advisory Committee shall encourage and assist in the organization on a plant, community, regional, or industry basis of labor-management-public committees and similar groups designed to further the purposes of this Act and may provide assistance to such groups, as well as existing groups organized for similar purposes, in effectuating such purposes.

(c) The National Advisory Committee may accept gifts or bequests, either for carrying out specific programs or for its general activities or for its responsibilities under subsection (b) of this section.

(d) Appointed members of the Committee shall be paid compensation at the rate of \$50 per diem when engaged in the work of the Committee, including travel time, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

Compensation.

60 Stat. 808;  
75 Stat. 339, 340.

(e) (1) Any member of the Committee is hereby exempted, with respect to such appointment, from the operation of sections 281, 283, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99), except as otherwise specified in paragraph (2) of this subsection.

Conflict of interest.

62 Stat. 697, 793.

(2) The exemption granted by paragraph (1) of this subsection shall not extend—

(A) to the receipt or payment of salary in connection with the appointee's Government service from any source other than the private employer of the appointee at the time of his appointment, or

(B) during the period of such appointment, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter with which such person, during such period, is or was directly connected by reason of such appointment.

#### STATE AGREEMENTS

SEC. 206. (a) The Secretary of Labor is authorized to enter into an agreement with each State, or with the appropriate agency of each State, pursuant to which the Secretary of Labor may, for the purpose of carrying out his functions and duties under this title, utilize the services of the appropriate State agency and, notwithstanding any other provision of law, may make payments to such State or appropriate agency for expenses incurred for such purposes.

(b) Any agreement under this section may contain such provisions as will promote effective administration, protect the United States against loss and insure that the functions and duties to be carried out by the appropriate State agency are performed in a manner satisfactory to the Secretary.

#### RULES AND REGULATIONS

SEC. 207. The Secretary of Labor shall prescribe such rules and regulations as he may deem necessary and appropriate to carry out the provisions of this part.

Regulatory authority.

PART B—DUTIES OF THE SECRETARY OF HEALTH, EDUCATION, AND  
WELFARE

GENERAL RESPONSIBILITY

Agreements with  
States.

SEC. 231. The Secretary of Health, Education, and Welfare shall, pursuant to the provisions of this title, enter into agreements with States under which the appropriate State vocational education agencies will undertake to provide training needed to equip persons referred to the Secretary of Health, Education, and Welfare by the Secretary of Labor pursuant to section 202, for the occupations specified in the referrals. Such State agencies shall provide for such training through public education agencies or institutions or, if facilities or services of such agencies or institutions are not adequate for the purpose, through arrangements with private educational or training institutions. The State agency shall be paid 50 per centum of the cost to the State of carrying out the agreement, except that for the period ending June 30, 1964 the State agency shall be paid 100 per centum of the cost to the State of carrying out the agreement with respect to unemployed persons. Such agreements shall contain such other provisions as will promote effective administration (including provision (1) for reports on the attendance and performance of trainees, (2) for immediate certification to the Secretary of Labor by the responsible training agency with respect to each person referred for training who does not have a satisfactory attendance record or is not making satisfactory progress in such training absent good cause, and (3) for continuous supervision of the training programs conducted under the agreement to insure the quality and adequacy of the training provided), protect the United States against loss, and assure that the functions and duties to be carried out by such State agency are performed in such fashion as will carry out the purposes of this title. In the case of any State which does not enter into an agreement under this section, and in the case of any training which the State agency does not provide under such an agreement, the Secretary of Health, Education, and Welfare may provide the needed training by agreement or contract with public or private educational or training institutions.

RULES AND REGULATIONS

Regulatory au-  
thority.

SEC. 232. The Secretary of Health, Education, and Welfare may prescribe such rules and regulations as he may deem necessary and appropriate to carry out the provisions of this part.

TITLE III—MISCELLANEOUS

APPORTIONMENT OF BENEFITS

SEC. 301. For the purpose of effecting an equitable apportionment of Federal expenditures among the States in carrying out the programs authorized under title II of this Act, the Secretary of Labor and the Secretary of Health, Education, and Welfare shall make such apportionment in accordance with uniform standards and in arriving at such standards shall consider only the following factors: (1) the proportion which the labor force of a State bears to the total labor force of the United States, (2) the proportion which the unemployed in a State during the preceding calendar year bears to the total number of unemployed in the United States in the preceding calendar

year, (3) the lack of appropriate full-time employment in the State, (4) the proportion which the insured unemployed within a State bears to the total number of insured employed within such State, and (5) the average weekly unemployment compensation benefits paid by the State. The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to make reapportionments from time to time where the total amounts apportioned under this section have not been fully obligated in a particular State, or where the State or appropriate agencies in the State have not entered into the necessary agreements, and the Secretaries find that any other State is in need of additional funds to carry out the programs authorized by this Act.

#### MAINTENANCE OF STATE EFFORT

SEC. 302. No training program which is financed in whole or in part by the Federal Government under this Act shall be approved unless the Secretary of Labor, if the program is authorized under part A of title II, or the Secretary of Health, Education, and Welfare, if the program is authorized under part B of title II, satisfies himself that neither the State nor the locality in which the training is carried out has reduced or is reducing its own level of expenditures for vocational education and training, including program operation under provisions of the Smith-Hughes Vocational Education Act and titles I, II, and III of the Vocational Education Act of 1946, except for reductions unrelated to the provisions or purposes of this Act.

39 Stat. 929.  
20 USC 11-15,  
16-28.  
60 Stat. 775;  
72 Stat. 1598.  
20 USC 15i-  
15ggg.

#### OTHER AGENCIES AND DEPARTMENTS

SEC. 303. (a) In the performance of their functions under this Act, the Secretary of Labor and the Secretary of Health, Education, and Welfare, in order to avoid unnecessary expense and duplication of functions among Government agencies, shall use the available services or facilities of other agencies and instrumentalities of the Federal Government, under conditions specified in section 306(a). Each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary of Labor and the Secretary of Health, Education, and Welfare and, to the extent permitted by law, to provide such services and facilities as either may request for his assistance in the performance of his functions under this Act.

(b) The Secretary of Labor and the Secretary of Health, Education, and Welfare shall carry out their responsibilities under this Act through the maximum utilization of all possible resources for skill development available in industry, labor, public and private educational and training institutions, State, Federal, and local agencies, and other appropriate public and private organizations and facilities.

#### APPROPRIATIONS AUTHORIZED

SEC. 304. (a) There are hereby authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1963, \$3,000,000 for the fiscal year ending June 30, 1964, and a like amount for the fiscal year ending June 30, 1965, for the purpose of carrying out title I.

(b) There are hereby authorized to be appropriated \$97,000,000 for the fiscal year ending June 30, 1963, \$161,000,000 for the fiscal year ending June 30, 1964, and a like amount for the fiscal year ending June 30, 1965, for the purpose of carrying out title II.

(c) There are hereby authorized to be appropriated \$1,000,000 for the fiscal year ending June 30, 1963, \$1,000,000 for the fiscal year



ending June 30, 1964, and a like amount for the fiscal year ending June 30, 1965, for the purpose of carrying out title III.

(d) There are hereby authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1962, for planning and starting programs under this Act.

#### LIMITATIONS ON USE OF APPROPRIATED FUNDS

SEC. 305. (a) Funds appropriated under the authorization of this Act may be transferred, with the approval of the Director of the Bureau of the Budget, between departments and agencies of the Government, if such funds are used for the purposes for which they are specifically authorized and appropriated.

(b) Any equipment and teaching aids purchased by a State or local vocational education agency with funds appropriated to carry out the provisions of part B shall become the property of the State.

(c) No portion of the funds to be used under part B of this Act shall be appropriated directly or indirectly to the purchase, erection, or repair of any building except for minor remodeling of a public building necessary to make it suitable for use in training under part B.

(d) Funds appropriated under this Act shall remain available for one fiscal year beyond that in which appropriated.

#### AUTHORITY TO CONTRACT

SEC. 306. (a) The Secretary of Labor and the Secretary of Health, Education, and Welfare may make such contracts or agreements, establish such procedures, and make such payments, either in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as they deem necessary to carry out the provisions of this Act.

Limitation.

(b) The Secretary of Labor and the Secretary of Health, Education, and Welfare shall not use any authority conferred by this Act to assist in relocating establishments from one area to another. Such limitation shall not prohibit assistance to a business entity in the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Labor finds that assistance will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless he has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

#### SELECTION AND REFERRAL

Membership in labor organizations.

SEC. 307. The selection of persons for training under this Act and for placement of such persons shall not be contingent upon such person's membership or nonmembership in a labor organization.

#### DEFINITION

"State."

SEC. 308. For the purposes of this Act, the term "State" includes the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

#### SECRETARIES' REPORTS

Reports to Congress.

SEC. 309. (a) Prior to March 1, 1963, and again prior to March 1, 1964, the Secretary of Labor shall make a report to Congress. Such report shall contain an evaluation of the programs under title I and

part A of title II, including the number of persons trained and the number and types of training activities under this Act, the number of unemployed or underemployed persons who have secured full-time employment as a result of such training, and the nature of such employment, the need for continuing such programs, and recommendations for improvement.

(b) Prior to March 1, 1963, and again prior to March 1, 1964, the Secretary of Health, Education, and Welfare shall also make a report to Congress. Such report shall contain an evaluation of the programs under part B of title II, the need for continuing such programs, and recommendations for improvement. The first such report shall also contain the results of the vocational training survey which is presently being conducted under the supervision of the Secretary.

#### TERMINATION OF AUTHORITY

SEC. 310. (a) All authority conferred under title II of this Act shall terminate at the close of June 30, 1965.

(b) Notwithstanding the foregoing, the termination of title II shall not affect the disbursement of funds under, or the carrying out of, any contract, commitment or other obligation entered into prior to the date of such termination: *Provided*, That no disbursement of funds shall be made pursuant to the authority conferred under title II of this Act after December 30, 1965.

Approved March 15, 1962, 10:40 a.m.

### Public Law 87-416

#### AN ACT

To donate to the Zuni Tribe approximately six hundred and ten acres of federally owned land.

March 16, 1962  
[S. 201]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That all of the right, title, and interest of the United States in approximately six hundred and ten and eighty-nine one-hundredths acres of land in section 22, township 10 north, range 20 west, New Mexico principal meridian, and any improvements thereon, that were excepted from the conveyance made by the Act of August 13, 1949 (63 Stat. 604), and retained as Federal land for administrative purposes, is hereby declared to be held in trust for the Zuni Tribe.

Indians,  
Zuni Tribe.  
Land convey-  
ance.

25 USC 621.

Approved March 16, 1962.

### Public Law 87-417

#### AN ACT

To amend the Act of June 4, 1953 (67 Stat. 41), entitled "An Act to authorize the Secretary of the Interior, or his authorized representative, to convey certain school properties to local school districts or public agencies."

March 16, 1962.  
[S. 1299]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the second proviso in the Act of June 4, 1953 (67 Stat. 41), as amended, is amended to read: "*Provided further*, That no more than fifty acres of land shall be transferred under the terms of this Act in connection with any single school property conveyed to State or local governmental agencies or to local school authorities."

Indian schools.  
Land convey-  
ance limitation,  
increase.  
25 USC 293a.

Approved March 16, 1962.

## Public Law 87-418

## AN ACT

March 16, 1962  
[H. R. 7855]

Granting the consent of Congress to an amendment to a compact ratified by the States of Louisiana and Texas and relating to the waters of the Sabine River.

Sabine River,  
La.-Tex.  
Interstate com-  
pact, amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, the consent of the Congress is hereby given to an amendment to the interstate compact relating to the waters of the Sabine River and to its tributaries which was ratified by the Legislature of the State of Texas and ratified by the Legislature of the State of Louisiana, which amendment reads as follows:

## "ARTICLE VII—

"(C) The Texas members shall be appointed by the Governor for a term of six years; provided, however, that one of the original Texas members shall be appointed for a term to establish a half-term interval between the expiration dates of the terms of such members, and thereafter one such member shall be appointed each three years for the regular term. One of the Louisiana members shall be ex-officio the Director of the Louisiana Department of Public Works; the other Louisiana member shall be a resident of the Sabine Watershed and shall be appointed by the Governor of Louisiana for a term of four years; provided that the first member so appointed shall serve until June 30, 1958. Each State member shall hold office subject to the laws of his State or until his successor has been duly appointed and qualified."

Reservation.

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved. This reservation shall not be construed to prevent the vesting of rights to the use of water pursuant to applicable law and no alteration, amendment, or repeal of this Act shall be held to affect rights so vested.

Approved March 16, 1962.

## Public Law 87-419

## AN ACT

March 16, 1962  
[S. 2774]

To amend section 8 of the Organic Act of Guam and section 15 of the Revised Organic Act of the Virgin Islands, to provide for appointment of acting secretaries for such territories under certain conditions.

Guam and Virgin  
Islands.  
Acting secretar-  
ies, appointment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 8 of the Organic Act of Guam (64 Stat. 384, 387; 48 U.S.C. 1422b) is amended by adding the following at the end thereof: "The Governor or Acting Governor may from time to time designate an officer or employee of the executive branch of the government of Guam to act as secretary of Guam in case of a vacancy in the office of secretary of Guam or the disability or temporary absence of the secretary of Guam or while the secretary is acting as Governor, and the person so designated shall have all the powers of the secretary so long as such condition continues, except for the power set forth in the first sentence of section 7 of this Act. No additional compensation shall be paid to any person acting as Governor or as secretary under this Act."

SEC. 2. Section 15 of the Revised Organic Act of the Virgin Islands (68 Stat. 497, 504; 48 U.S.C. 1596) is amended by adding the following at the end thereof: "The Governor or Acting Governor may from time to time designate an officer or employee of the executive department of the government of the Virgin Islands to act as government secretary for the Virgin Islands in case of a vacancy in the office of the government secretary or the disability or temporary absence of the government secretary or while said government secretary is acting as Governor, and the person so designated shall have all the powers of government secretary so long as such condition continues, except for the power set forth in section 14 of this Act. No additional compensation shall be paid to any person acting as Governor or as secretary under this Act."

48 USC 1595.

Approved March 16, 1962.

## Public Law 87-420

### AN ACT

To amend the Welfare and Pension Plans Disclosure Act with respect to the method of enforcement and to provide certain additional sanctions, and for other purposes.

March 20, 1962  
[H. R. 8723]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Welfare and Pension Plans Disclosure Act Amendments of 1962".

Welfare and Pension Plans Disclosure Act Amendments of 1962.

SEC. 2. The first line of section 3 of the Welfare and Pension Plans Disclosure Act is amended by striking out "(a)".

SEC. 3. Paragraph (1) of section 3 of such Act is amended by striking out the word "to" after the word "communicated".

72 Stat. 997.  
29 USC 302.

SEC. 4. Paragraph (9) of section 3 of such Act is amended to read as follows:

"(9) The term 'State' includes any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, Wake Island, the Canal Zone, and Outer Continental Shelf lands defined in the Outer Continental Shelf Lands Act (43 U.S.C. 1331-1343)."

Definitions.

SEC. 5. Section 3 of such Act is further amended by striking out paragraph (11) and adding the following new paragraphs (11), (12), and (13):

67 Stat. 462.

"(11) The term 'industry or activity affecting commerce' means any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce and includes any activity or industry 'affecting commerce' within the meaning of the Labor-Management Relations Act, 1947, as amended, or the Railway Labor Act, as amended.

61 Stat. 136.  
29 USC 141.  
44 Stat. 577.  
45 USC 151.

"(12) The term 'Secretary' means the Secretary of Labor.

"(13) The term 'party in interest' means any administrator, officer, trustee, custodian, counsel, or employee of any employee welfare benefit plan or employee pension benefit plan, or a person providing benefit plan services to any such plan, or an employer any of whose employees are covered by such a plan or officer or employee or agent of such employer, or an officer or agent or employee of an employee organization having members covered by such plan."

SEC. 6. Paragraphs (3) and (4) of subsection (b) of section 4 of such Act are amended to read as follows:

29 USC 303.

"(3) such plan is administered by an organization which is exempt from taxation under the provisions of section 501(a) of the Internal Revenue Code of 1954 and is administered as a corol-

26 USC 501.

lary to membership in a fraternal benefit society described in section 501(c) (8) of such Code or by organizations described in sections 501(c) (3) and 501(c) (4) of such Code: *Provided*, That the provisions of this paragraph shall not exempt any plan administered by a fraternal benefit society or organization which represents its members for purposes of collective bargaining; or

"(4) such plan covers not more than twenty-five participants."

29 USC 304.

SEC. 7. Subsection (a) of section 5 of such Act is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "Such description and such report shall contain the information required by sections 6 and 7 of this Act in such form and detail as the Secretary shall by regulations prescribe and copies thereof shall be executed, published, and filed in accordance with the provisions of this Act and the Secretary's regulations thereunder. No regulation shall be issued under the preceding sentence which relieves any administrator of the obligation to include in such description or report any information relative to his plan which is required by section 6 or 7. Notwithstanding the foregoing, if the Secretary finds, on the record after giving interested persons an opportunity to be heard, that specific information on plans of certain kinds or on any class or classes of benefits described in section 3 (1) and (2) which are provided by such plans cannot, in the normal method of operation of such plans, be practicably ascertained or made available for publication in the manner or for the period prescribed in any provision of this Act, or that the information if published in such manner or for such period would be duplicative or uninformative, the Secretary may by regulations prescribe such other manner or such other period for the publication of such information as he may determine to be necessary and appropriate to carry out the purposes of this Act."

29 USC 305, 306.

29 USC 302.

29 USC 305.

SEC. 8. Subsection (b) of section 6 of such Act is amended by adding at the end thereof the following new sentence: "Any change in the information required by this subsection shall be reported to the Secretary within sixty days after the change has been effectuated."

29 USC 306.

SEC. 9. (a) Section 7(a) of such Act is amended by inserting after the word "plan" the second time it appears the following: "if it covers one hundred or more participants. However, the Secretary, after investigation, may require the administrator of any plan otherwise covered by the Act to publish such report when necessary and appropriate to carry out the purposes of the Act", and by striking out "twenty" both times it appears and inserting in lieu thereof "fifty".

Report: contents.

(b) Section 7(b) of such Act is amended by striking out the first sentence of the second paragraph and inserting in lieu thereof the following: "The amount contributed by each employer; the amount contributed by the employees; the amount of benefits paid or otherwise furnished; the number of employees covered; a statement of assets specifying the total amount in each of the following types of assets: cash, Government bonds, non-Government bonds and debentures, common stocks, preferred stocks, common trust funds, real estate loans and mortgages, operated real estate, other real estate, and other assets; a statement of liabilities, receipts, and disbursements of the plan; a detailed statement of the salaries and fees and commissions charged to the plan, to whom paid, in what amount, and for what purposes. The Secretary, when he has determined that an investigation is necessary in accordance with section 9(d) of this Act, may require the filing of supporting schedules of assets and liabilities."

29 USC 308.

(c) Section 7(b) is further amended by adding at the end thereof the following new sentence: "In the case of reports sworn to, but not certified, the Secretary, when he determines that it may be necessary to investigate the plan in accordance with section 9(d) of this Act, shall, prior to investigation by the Department of Labor, require certification of the report by an independent certified or licensed public accountant."

SEC. 10. Subparagraph (B) of paragraph (1) of subsection (f) of section 7 of such Act is amended by striking out "summary" and by striking out "broken down by types, such as cash investments in governmental obligations, investments in nongovernmental bonds, and investments in corporate stocks" and inserting in lieu thereof the following: "as required by section 7(b)".

SEC. 11. Subparagraph (C) of paragraph (1) of subsection (f) of section 7 of such Act is amended by striking out "total fund" and inserting "total funds", by striking out "by reason of being an officer, trustee, or employee of such fund", and by striking out "listed at their aggregate cost or present value, whichever is lower" and inserting in lieu thereof "valued as provided in subparagraph (B)".

SEC. 12. Subparagraph (D) of paragraph (1) of subsection (f) of section 7 of such Act is amended by striking out the words "by reason of being an officer, trustee, or employee of such fund".

29 USC 306.

SEC. 13. Section 7 of such Act is amended by adding thereto the following new subsections (g) and (h):

"(g) If some or all of the benefits under the plan are provided by an insurance carrier or service or other organization, such carrier or organization shall certify to the administrator of such plan, within one hundred and twenty days after the end of each calendar, policy, or other fiscal year, as the case may be, such reasonable information determined by the Secretary to be necessary to enable such administrator to comply with the requirements of this Act.

"(h) The Secretary shall prescribe by general rule simplified reports for plans which he finds that by virtue of their size or otherwise a detailed report would be unduly burdensome, but the Secretary may revoke such provisions for simplified forms for any plan if the purposes of the Act would be served thereby."

Simplified reports.

SEC. 14. Section 8(a)(2) of such Act is amended by striking out "a summary" and inserting in lieu thereof "an adequate summary".

29 USC 307.

SEC. 15. (a) Section 9(a) of such Act is amended by striking out "of sections 5 or 8", and inserting before the period the words ", or both".

29 USC 308.

(b) Section 9 of such Act is amended by striking out subsections (d) and (e) and inserting in lieu thereof the following new subsections:

Enforcement.

"(d) The Secretary may, after first requiring certification in accordance with section 7(b), upon complaint of violation not satisfied by such certification, or on his own motion, when he continues to have reasonable cause to believe investigation may disclose violations of this Act, make such investigations as he deems necessary, and may require or permit any person to file with him a statement in writing, under oath or otherwise, as to all the facts and circumstances concerning the matter to be investigated.

"(e) For the purposes of any investigation provided for in this Act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, records, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (15 U.S.C. 49, 50), are hereby made applicable to the jurisdiction, powers, and duties of the Secretary or any officers designated by him.

29 USC 308, 309.

38 Stat. 717.

"(f) Whenever it shall appear to the Secretary that any person is engaged in any violation of the provisions of this Act, he may in his discretion bring an action in the proper district court of the United States or United States court of any place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted.

Jurisdiction.

"(g) The United States district courts and the United States courts of any place subject to the jurisdiction of the United States shall have jurisdiction, for cause shown, to restrain violations of this Act.

Restriction.

"(h) Nothing contained in this Act shall be so construed or applied as to authorize the Secretary to regulate, or interfere in the management of, any employee welfare or pension benefit plan, except that the Secretary may inquire into the existence and amount of investments, actuarial assumptions, or accounting practices only when it has been determined that investigation is required in accordance with section 9(d) of this Act.

Information to  
Attorney General.

"(i) The Secretary shall immediately forward to the Attorney General or his representative any information coming to his attention in the course of the administration of this Act which may warrant consideration for criminal prosecution under the provisions of this Act or other Federal law."

29 USC 309, 301  
notes.

SEC. 16. (a) Such Act is further amended by renumbering sections 10, 11, and 12 as sections 16, 17, and 18, respectively, and by adding the following new sections to the Act:

#### "REPORTS MADE PUBLIC INFORMATION

"SEC. 10. The contents of the descriptions and regular annual reports filed with the Secretary pursuant to this Act shall be public information, and the Secretary, where to do so would protect the interests of participants or beneficiaries of a plan, may publish any such information and data. The Secretary may use the information and data for statistical and research purposes, and compile and publish such studies, analyses, reports, and surveys based thereon as he may deem appropriate.

#### "RETENTION OF RECORDS

"SEC. 11. Every person required to file any description or report or to certify any information therefor under this Act shall maintain records on the matters of which disclosure is required which will provide in sufficient detail the necessary basic information and data from which the documents thus required may be verified, explained, or clarified, and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts, and applicable resolutions, and shall keep such records available for examination for a period of not less than five years after the filing of the documents based on the information which they contain.

#### "RELIANCE ON ADMINISTRATIVE INTERPRETATIONS AND FORMS

"SEC. 12. In any action or proceeding based on any act or omission in alleged violation of this Act, no person shall be subject to any liability or punishment for or on account of the failure of such person to (1) comply with any provision of this Act if he pleads and proves that the act or omission complained of was in good faith, in conformity with, and in reliance on any written interpretation or opinion of the Secretary, or (2) publish and file any information required by any provision of this Act if he pleads and proves that he published and

filed such information in good faith, on the description and annual report forms prepared by the Secretary and in conformity with the instructions of the Secretary issued under this Act regarding the filing of such forms. Such a defense, if established, shall be a bar to the action or proceeding, notwithstanding that (A) after such act or omission, such interpretation or opinion is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect, or (B) after publishing or filing the description and annual reports, such publication or filing is determined by judicial authority not to be in conformity with the requirements of this Act.

#### “BONDING

“SEC. 13. (a) Every administrator, officer, and employee of any employee welfare benefit plan or of any employee pension benefit plan subject to this Act who handles funds or other property of such plan shall be bonded as herein provided; except that, where such plan is one under which the only assets from which benefits are paid are the general assets of a union or of an employer, the administrator, officers and employees of such plan shall be exempt from the bonding requirements of this section. The amount of such bond shall be fixed at the beginning of each calendar, policy, or other fiscal year, as the case may be, which constitutes the reporting year of such plan. Such amount shall be not less than 10 per centum of the amount of funds handled, determined as herein provided, except that any such bond shall be in at least the amount of \$1,000 and no such bond shall be required in an amount in excess of \$500,000: *Provided*, That the Secretary, after due notice and opportunity for hearing to all interested parties, and after consideration of the record, may prescribe an amount in excess of \$500,000, which in no event shall exceed 10 per centum of the funds handled. For purposes of fixing the amount of such bond, the amount of funds handled shall be determined by the funds handled by the person, group, or class to be covered by such bond and by their predecessor or predecessors, if any, during the preceding reporting year, or if the plan has no preceding reporting year, the amount of funds to be handled during the current reporting year by such person, group, or class, estimated as provided in regulations of the Secretary. Such bond shall provide protection to the plan against loss by reason of acts of fraud or dishonesty on the part of such administrator, officer, or employee, directly or through connivance with others. Any bond shall have as surety thereon a corporate surety company which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury pursuant to the Act of July 30, 1947 (6 U.S.C. 6-13). Any bond shall be in a form or of a type approved by the Secretary, including individual bonds or schedule or blanket forms of bonds which cover a group or class.

51 Stat. 648.

“(b) It shall be unlawful for any administrator, officer, or employee to whom subsection (a) applies, to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of any employee welfare benefit plan or employee pension benefit plan, without being bonded as required by subsection (a) and it shall be unlawful for any administrator, officer, or employee of such plan, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any such person, with respect to whom the requirements of subsection (a) have not been met.

“(c) It shall be unlawful for any person to procure any bond required by subsection (a) from any surety or other company or through



any agent or broker in whose business operations such plan or any party in interest in such plan has any significant control or financial interest, direct or indirect.

“(d) Nothing in any other provision of law shall require any person, required to be bonded as provided in subsection (a) because he handles funds or other property of an employee welfare benefit plan or of an employee pension benefit plan, to be bonded insofar as the handling by such person of the funds or other property of such plan is concerned.

**Regulations.**

“(e) The Secretary shall from time to time issue such regulations as may be necessary to carry out the provisions of this section. When, in the opinion of the Secretary, the administrator of a plan offers adequate evidence of the financial responsibility of the plan, or that other bonding arrangements would provide adequate protection of the beneficiaries and participants, he may exempt such plan from the requirements of this section.

**“ADVISORY COUNCIL**

**Appointment of members.**

“SEC. 14. (a) There is hereby established an Advisory Council on Employee Welfare and Pension Benefit Plans (hereinafter referred to as the ‘Council’) which shall consist of thirteen members to be appointed in the following manner: One from the insurance field, one from the corporate trust field, two from management, four from labor, and two from other interested groups, all appointed by the Secretary from among persons recommended by organizations in the respective groups; and three representatives of the general public appointed by the Secretary.

**Report to Congress.**

“(b) It shall be the duty of the Council to advise the Secretary with respect to the carrying out of his functions under this Act, and to submit to the Secretary recommendations with respect thereto. The Council shall meet at least twice each year and at such other times as the Secretary requests. At the beginning of each regular session of the Congress, the Secretary shall transmit to the Senate and House of Representatives each recommendation which he has received from the Council during the preceding calendar year and a report covering his activities under the Act for such preceding calendar year, including full information as to the number of plans and their size, the results of any studies he may have made of such plans and the Act’s operation and such other information and data as he may deem desirable in connection with employee welfare and pension benefit plans.

“(c) The Secretary shall furnish to the Council an executive secretary and such secretarial, clerical, and other services as are deemed necessary to the conduct of its business. The Secretary may call upon other agencies of the Government for statistical data, reports, and other information which will assist the Council in the performance of its duties.

“(d) Appointed members of the Council shall be paid compensation at the rate of \$50 per diem when engaged in the work of the Council, including travel time, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

60 Stat. 808;  
75 Stat. 339, 340.

**Conflict of interest.**

62 Stat. 697, 793.

“(e) (1) Any member of the Council is hereby exempted, with respect to such appointment, from the operation of sections 281, 283, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99), except as otherwise specified in paragraph (2) of this subsection.

“(2) The exemption granted by paragraph (1) of this subsection shall not extend—

“(A) to the receipt or payment of salary in connection with the appointee’s Government service from any source other than the private employer of the appointee at the time of his appointment, or

“(B) during the period of such appointment, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter with which such person, during such period, is or was directly connected by reason of such appointment.

#### “ADMINISTRATION

“SEC. 15. (a) The provisions of the Administrative Procedure Act shall be applicable to this Act.

60 Stat. 237.  
5 USC 1001 note.  
Applicability.

“(b) No employee of the Department of Labor shall administer or enforce this Act with respect to any employee organization of which he is a member or employer organization in which he has an interest.

“(c) No more than 260 employees shall be employed by the Department of Labor to administer or enforce this Act for the first two years after the enactment of the Welfare and Pension Plans Disclosure Act Amendments of 1962.

Enforcement.

“(d) Not more than two million two hundred thousand dollars per year is authorized to be appropriated for the administration and enforcement of this Act, for the first two years after the enactment of the Welfare and Pension Plans Disclosure Act Amendments of 1962.”

Appropriation.

(b) Subsection (b) of the section renumbered as section 16 by this Act, is amended by inserting after “of this section” the following: “and section 13”.

Ante, p. 38.

(c) The table of contents of the first section of such Act is amended by striking out the last three lines and inserting in lieu thereof the following:

72 Stat. 997.  
29 USC 301 note.

“Sec. 10. Reports made public information.

“Sec. 11. Retention of records.

“Sec. 12. Reliance on administrative interpretations and forms.

“Sec. 13. Bonding.

“Sec. 14. Advisory Council.

“Sec. 15. Administration.

“Sec. 16. Effect of other laws.

“Sec. 17. Separability of provisions.

“Sec. 18. Effective date.”

SEC. 17. (a) Chapter 31 of title 18, United States Code, as amended, is amended by adding a new section captioned and reading as follows:

18 USC 641-663.

#### “§ 664. Theft or embezzlement from employee benefit plan

“Any person who embezzles, steals, or unlawfully and willfully abstracts or converts to his own use or to the use of another, any of the moneys, funds, securities, premiums, credits, property, or other assets of any employee welfare benefit plan or employee pension benefit plan, or of any fund connected therewith, shall be fined not more than \$10,000, or imprisoned not more than five years, or both.

“As used in this section, the term ‘any employee welfare benefit plan or employee pension benefit plan’ means any such plan subject to the provisions of the Welfare and Pension Plans Disclosure Act.”

(b) The analysis of chapter 31, title 18, United States Code, immediately preceding section 641 thereof, is amended by adding at the end thereof the following new item:

"664. Theft or embezzlement from employee benefit plan."

18 U S C 1001-1026.

(c) Chapter 47 of title 18, United States Code, as amended, is amended by adding a new section captioned and reading as follows:

**"§ 1027. False statements and concealment of facts in relation to documents required by the Welfare and Pension Plans Disclosure Act**

72 Stat. 997.  
29 USC 301 note.

"Whoever, in any document required by the Welfare and Pension Plans Disclosure Act (as amended from time to time) to be published, or kept as part of the records of any employee welfare benefit plan or employee pension benefit plan, or certified to the administrator of any such plan, makes any false statement or representation of fact, knowing it to be false, or knowingly conceals, covers up, or fails to disclose any fact the disclosure of which is required by such Act or is necessary to verify, explain, clarify or check for accuracy and completeness any report required by such Act to be published or any information required by such Act to be certified, shall be fined not more than \$10,000, or imprisoned not more than five years, or both."

18 U S C 1001-1026.

(d) The analysis of chapter 47, title 18, United States Code, immediately preceding section 1001, is amended by adding at the end thereof the following new item:

"1027. False statements and concealment of facts in relation to documents required by the Welfare and Pension Plans Disclosure Act."

18 U S C 1951-1953.

(e) Chapter 95 of title 18, United States Code, as amended, is amended by adding a new section captioned and reading as follows:

**"§ 1954. Offer, acceptance, or solicitation to influence operations of employee benefit plan**

"(a) Whoever being—

"(1) an administrator, officer, trustee, custodian, counsel, agent, or employee of any employee welfare benefit plan or employee pension benefit plan; or

"(2) an officer, counsel, agent, or employee of an employer or an employer any of whose employees are covered by such plan; or

"(3) an officer, counsel, agent, or employee of an employee organization any of whose members are covered by such plan; or

"(4) a person who, or an officer, counsel, agent, or employee of an organization which, provides benefit plan services to such plan receives or agrees to receive or solicits any fee, kickback, commission, gift, loan, money, or thing of value because of or with intent to be influenced with respect to, any of his actions, decisions, or other duties relating to any question or matter concerning such plan or any person who directly or indirectly gives or offers, or promises to give or offer, any fee, kickback, commission, gift, loan, money, or thing of value prohibited by this section, shall be fined not more than \$10,000 or imprisoned not more than three years, or both: *Provided*, That this section shall not prohibit the payment to or acceptance by any person of bona fide salary, compensation, or other payments made for goods or facilities actually furnished or for services actually performed in the regular course of his duties as such person, administrator, officer, trustee, custodian, counsel, agent, or employee of such plan, employer, employee organization, or organization providing benefit plan services to such plan.

"As used in this section, the term (a) 'any employee welfare benefit plan' or 'employee pension benefit plan' means any such plan subject to the provisions of the Welfare and Pension Plans Disclosure Act, as amended, and (b) 'employee organization' and 'administrator' as defined respectively in sections 3(3) and 5(b) (1) and (2) of the Welfare and Pension Plans Disclosure Act, as amended.

72 Stat. 997.  
29 USC 301 note.

29 USC 302,  
304.

"(b) Whenever in the judgment of a United States attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any case or proceeding before any grand jury or court of the United States involving any violation of this section, or any conspiracy to violate such section, is necessary to the public interest, he, upon the approval of the Attorney General, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this subsection, and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecution described in the next sentence) against him in any court. No witness shall be exempt under this subsection from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this subsection."

(f) The analysis of chapter 95, title 18, United States Code, immediately preceding section 1951 thereof, is amended by adding at the end thereof the following new item:

18 USC 1951-  
1953.

"1954. Offer, acceptance, or solicitation to influence operations of employee benefit plan."

SEC. 18. The Welfare and Pension Plans Disclosure Act is further amended by substituting the term "Secretary" for the term "Secretary of Labor" wherever the latter term appears in such Act.

SEC. 19. The amendments made by this Act shall take effect ninety days after the enactment of this Act, except that section 13 of the Welfare and Pension Plans Disclosure Act shall take effect one hundred eighty days after such date of enactment.

Effective date.  
Ante, p. 39.

Approved March 20, 1962, 10:15 a.m.

## Public Law 87-421

### AN ACT

To amend section 17(a) of the Revised Organic Act of the Virgin Islands pertaining to the salary of the government comptroller.

March 20, 1962  
[H. R. 7666]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 17 of the Revised Organic Act of the Virgin Islands, as amended (48 U.S.C., sec. 1599(a)), is amended by striking out the first sentence of said subsection and inserting in lieu thereof the following: "The Secretary of the Interior shall appoint a government comptroller who shall receive an annual salary at a rate established in accordance with the standards provided by the Classification Act of 1949, as amended."

Virgin Islands.  
Government  
comptroller, sal-  
ary.  
68 Stat. 504.

Approved March 20, 1962.

## Public Law 87-422

## AN ACT

March 20, 1962  
[H. R. 3879]

To authorize and direct the Secretary of Agriculture to convey to the State of Wyoming for agricultural purposes certain real property in Sweetwater County, Wyoming.

Sweetwater  
County, Wyo.  
Real property  
conveyance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the State of Wyoming, without cost, the real property constituting the Farson Pilot Farm land and known as farm unit numbered W-18, Eden Valley project, Sweetwater County, Wyoming, more particularly described as follows:

An irregular tract of land situated in lots 1, 2, 3, and 4, and the southwest quarter, and the west half southeast quarter of section 1, and lot 1 and the east half southeast quarter of section 2, and the east half northeast quarter of section 11, and the northwest quarter of section 12, township 24 north, range 107 west of the sixth principal meridian, Wyoming, more definitely described as follows:

Beginning at the quarter corner common to sections 1 and 12, township 24 north, range 107 west;

South 00 degrees 03 minutes west 2,633.4 feet along the north quarter section line of section 12 to a brass cap monument, the center quarter corner of section 12, the southeast corner of farm unit W-18;

South 89 degrees 41 minutes west 2,634.8 feet along the west quarter section line of section 12 to the quarter corner common to sections 11 and 12;

South 89 degrees 52 minutes west 1,320.2 feet along the east quarter section line of section 11 to a brass cap monument, the east sixteenth center corner of section 11, the southwest corner of farm unit W-18;

North 00 degrees 02 minutes west 450.4 feet along the east sixteenth section line of section 11 to an iron pin on the south right-of-way line of United States west side lateral wasteway;

North 00 degrees 02 minutes west 132.6 feet along the east sixteenth section line of section 11 and along the west right-of-way line of United States west side lateral wasteway to a point on the north right-of-way line of United States west side lateral wasteway;

North 00 degrees 02 minutes west 2,054.9 feet along the east sixteenth section line of section 11 to a brass cap monument, the east sixteenth corner common to sections 2 and 11;

North 00 degrees 01 minutes west 2,255.1 feet along the east sixteenth section line of section 2 to an iron pin on the centerline of county road right-of-way;

North 00 degrees 01 minutes west 38.8 feet along the east sixteenth section line of section 2 to a brass cap monument on the north right-of-way line of county road;

North 00 degrees 01 minutes west 338.8 feet along the east sixteenth section line of section 2 to a brass cap monument, the east sixteenth center corner of section 2;

North 00 degrees 01 minutes east 944.7 feet along the east sixteenth section line of section 2 to a brass cap monument, the east sixteenth corner on the north boundary of section 2, the northwest corner of farm unit W-18;

North 88 degrees 51 minutes east 158.2 feet along the north section line of section 2, township 24 north, range 107 west to the south quarter corner of section 31, township 25 north, range 106 west;

North 89 degrees 51 minutes east 1,161.3 feet along the north section line of section 2, township 24 north, range 107 west to the north section corner common to sections 1 and 2, township 24 north, range 107 west;

North 89 degrees 51 minutes east 778.6 feet along the north section line of section 1, township 24 north, range 107 west to a brass cap monument on the north right-of-way line of county road;

North 89 degrees 51 minutes east 63.2 feet along the north section line of section 1, township 24 north, range 107 west to an iron pin on the centerline of county road right-of-way;

North 89 degrees 51 minutes east 425.0 feet along the north section line of section 1, township 24 north, range 107 west to an iron pin on the west right-of-way line of United States sublateral W-26;

North 89 degrees 51 minutes east 219.3 feet along the north section line of section 1, township 24 north, range 107 west to the south section corner common to sections 31 and 32, township 25 north, range 106 west;

South 89 degrees 46 minutes east 425.5 feet along the north section line of section 1, township 24 north, range 107 west to an iron pin on the east right-of-way line of United States drain W-7;

South 89 degrees 46 minutes east 716.0 feet along the north section line of section 1, township 24 north, range 107 west to the north quarter corner of section 1, township 24 north, range 107 west;

South 89 degrees 46 minutes east 478.4 feet along the north section line of section 1, township 24 north, range 107 west to an iron pin on the south right-of-way line of United States west side lateral waste-way;

South 89 degrees 46 minutes east 746.3 feet along the north section line of section 1, township 24 north, range 107 west to an iron pin on the west right-of-way line of United States west side lateral;

South 89 degrees 46 minutes east 112.1 feet along the north section line of section 1, township 24 north, range 107 west to a brass cap monument on the east right-of-way line of United States west side lateral, the northeast corner of farm unit W-18;

South 27 degrees 09 minutes west 151.6 feet along the east right-of-way line of United States west side lateral to a point on the south right-of-way line of United States west side lateral;

South 27 degrees 09 minutes west 160.8 feet to a brass cap monument;

South 01 degrees 03 minutes east 3,272.6 feet to a brass cap monument on the south section line of section 1;

South 89 degrees 16 minutes west 1,241.8 feet along the south section line of section 1 to the point of beginning heretofore described and containing in all 664.12 acres, more or less.

Such property shall be conveyed under such conditions as in the opinion of the Secretary of Agriculture will assure the use of such property in the cooperative agricultural demonstrational work of the Department of Agriculture and the State of Wyoming. The conveyance of such property shall contain a reservation to the United States of all oil and gas in the land, together with the right to prospect for, mine and remove the same under such regulations as the Secretary of the Interior may prescribe.

Approved March 20, 1962.

Oil and gas reservation.

## Public Law 87-423

## AN ACT

March 22, 1962  
[H. R. 5143]

To amend section 801 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901.

D. C.  
Murder in first  
and second de-  
grees.  
Punishment.  
D. C. Code 22-  
2404.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 801 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189, 1321), is amended to read as follows:

"SEC. 801. PUNISHMENT.—The punishment of murder in the first degree shall be death by electrocution unless the jury by unanimous vote recommends life imprisonment; or if the jury, having determined by unanimous vote the guilt of the defendant as charged, is unable to agree as to punishment it shall inform the court and the court shall thereupon have jurisdiction to impose and shall impose either a sentence of death by electrocution or life imprisonment.

"Notwithstanding any other provision of law, a person convicted of first degree murder and upon whom a sentence of life imprisonment is imposed shall be eligible for parole only after the expiration of twenty years from the date he commences to serve his sentence.

"Whoever is guilty of murder in the second degree shall be imprisoned for life or not less than twenty years.

"Cases tried prior to the effective date of this Act and which are before the court for the purpose of sentence or resentence shall be governed by the provisions of law in effect prior to the effective date of this Act: *Provided*, That the judge may, in his sole discretion, consider circumstances in mitigation and in aggravation and make a determination as to whether the case in his opinion justifies a sentence of life imprisonment, in which event he shall sentence the defendant to life imprisonment. Such a sentence of life imprisonment shall be in accordance with the provisions of this Act.

"In any case tried under this Act as amended where the penalty prescribed by law upon conviction of the defendant is death except in cases otherwise provided, the jury returning a verdict of guilty may by unanimous vote fix the punishment at life imprisonment; and thereupon the court shall sentence him accordingly; but if the jury shall not thus prescribe the punishment the court shall sentence the defendant to suffer death by electrocution unless the jury by its verdict indicates that it is unable to agree upon the punishment, in which case the court shall sentence the defendant to death or life imprisonment."

Approved March 22, 1962.

## Public Law 87-424

## AN ACT

March 30, 1962  
[H. R. 5968]

To amend the District of Columbia Unemployment Compensation Act, as amended.

D. C. Unemploy-  
ment Compensa-  
tion Act, amend-  
ment.  
57 Stat. 101.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) (5) (G) of the first section of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-301(b) (5) (G)) is amended by striking out "religious, charitable, scientific, literary, or educational purposes," and inserting in lieu thereof "religious, or charitable purposes,".

SEC. 2. The first section of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-301) is further amended by adding at the end thereof the following:

“(v) The term ‘insured work’ means employment for employers.”

SEC. 3. Section 3(c) (1) of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-303(c) (1)) is amended to read as follows:

“(1) The Board shall maintain a separate account for each employer, and shall credit his account with all of the contributions paid by him after June 30, 1939, with respect to employment subsequent to May 31, 1939. Each year the Board shall credit to each of such accounts having a positive reserve on the computation date, the interest earned from the Federal Government in the following manner: Each year the ratio of the credit balance in each individual account to the total of all the credit balances in all employer accounts shall be computed as of such computation date, and an amount equal to the interest credited to the District’s account in the unemployment trust fund in the Treasury of the United States for the four most recently completed calendar quarters shall be credited prior to the next computation date on the pro rata basis to all employers’ accounts having a credit balance on the computation date. Such amount shall be prorated to the individual accounts in the same ratio that the credit balance in each individual account bears to the total of the credit balances in all such accounts. In computing the amount to be credited to the account of an employer as a result of interest earned by funds on deposit in the unemployment trust fund in the Treasury of the United States to the account of the District, any voluntary contribution made by an employer after June 30 of any year shall not be considered a part of the account balance of the employer until the next computation date occurring after such voluntary contribution was made. Nothing in this Act shall be construed to grant any employer or individual in his service prior claims or rights to the amounts paid by him into the fund either on his own behalf or on behalf of such individuals.”

SEC. 4. Section 3(c) (8) (i) of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-303(c) (8) (i)) is amended to read as follows:

“(i) If as of the computation date the total of all contributions credited to any employer’s account, with respect to employment since May 31, 1939, is in excess of the total benefits paid after June 30, 1939, then chargeable or charged to his account, such excess shall be known as the employer’s reserve, and his contribution rate for the ensuing calendar year or part thereof shall be—

“(A) 2.7 per centum if such reserve is less than 0.8 per centum of his average annual payroll;

“(B) 2 per centum if such reserve equals or exceeds 0.8 per centum but is less than 1.3 per centum of his average annual payroll;

“(C) 1.5 per centum if such reserve equals or exceeds 1.3 per centum but is less than 1.8 per centum of his average annual payroll;

“(D) 1 per centum if such reserve equals or exceeds 1.8 per centum but is less than 2.8 per centum of his average annual payroll;

“(E) 0.5 per centum if such reserve equals or exceeds 2.8 per centum but is less than 3.3 per centum of his average annual payroll;

“(F) 0.1 per centum if such reserve equals or exceeds 3.3 per centum of his average annual payroll.”

68 Stat. 989.

“Insured work.”

57 Stat. 106.

Employer contributions.

68 Stat. 991.

Employer’s reserve.



60 Stat. 528.

Employer's voluntary contributions.

Sec. 5. Section 3(c) (8) of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-303(c) (8)) is further amended by adding at the end thereof the following:

"(iv) Any employer, at any time, may voluntarily pay into the unemployment compensation fund an amount in excess of the contributions required to be paid under the provisions of this Act, and such amount shall be forthwith credited to his reserve account. His rate of contribution shall be computed, or recomputed, as the case may be, with such amount included in the calculation. To affect such employer's rate of contribution for any year, such amount shall be paid not later than thirty days following the mailing of notice of his rate of contribution for such year, and not later than one hundred and twenty days after the commencement of such year. Such amount, when paid as aforesaid, shall not be refunded or used as a credit in the payment of contributions in whole or in part."

68 Stat. 993.

"Weekly benefit amount."

Sec. 6. Subsections (b), (c), and (d) of section 7 of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-307 (b), (c), and (d)) are amended to read as follows:

"(b) An individual's 'weekly benefit amount' shall be an amount equal to one twenty-third (computed to the next higher multiple of \$1) of his total wages for insured work paid during that quarter of his base period in which such total wages were highest, with such other following limitations. If an individual's weekly benefit amount is less than \$8, it shall be \$8. The Director shall determine annually a maximum weekly benefit amount by computing 50 per centum of the average weekly wage paid to employees in insured work, and shall on or before January 1 of the calendar year in which it shall be effective announce by publication in at least one newspaper of general circulation in the District, the maximum weekly benefit amount so determined. Such computation shall be made by determining total wages reported as paid for insured work by employers in each twelve-month period ending June 30, and dividing said total wages by a figure resulting from fifty-two times the average of midmonth employment reported by employers for the same period. For the period from the effective date of this Act to December 31, 1962, the maximum weekly benefit amount shall be determined and announced by the Director in accordance with the foregoing formula on the basis of wages and employment in the twelve-month period ending June 30, 1961. The maximum weekly benefit amount so determined and announced for a calendar year shall apply only to those claims filed in that year qualifying for maximum payment under the foregoing formula. All claims qualifying for payment at the maximum weekly benefit amount shall be paid at the maximum weekly benefit amount in effect when the benefit year to which the claim relates was first established, notwithstanding a change in said amount for a subsequent calendar year. If the maximum weekly benefit amount is not a multiple of \$1, then said maximum weekly benefit amount shall be computed to the next higher multiple of \$1.

Qualification standards.

"(c) To qualify for benefits an individual must have (1) been paid wages for employment of not less than \$130 in one quarter in his base period, (2) been paid wages for employment of not less than \$276 in not less than two quarters in such period, and (3) received during such period wages the total amount of which is equal to at least one and one-half times the amount of his wages for the quarter in such period in which his wages were the highest. Notwithstanding the provisions of clause (3), any otherwise qualified individual, the total amount of whose wages during such period is less than the amount required to have been received during such period under such clause, may qualify for benefits if the differences between the

amounts so required to have been received and the total amount of his wages during such period does not exceed \$70, but the amount of his weekly benefit, as computed under section 7(b), shall be reduced by \$1 if such difference does not exceed \$35 or by \$2 if such difference is more than \$35. Wages received by an individual in the period intervening between the end of his last base period and the beginning of his last benefit year and paid by employers who were his base period employers in such last base period shall not be available for benefit purposes in a subsequent benefit year unless he has, subsequent to the commencement of such last benefit year, received remuneration for personal services, whether or not such services were performed in employment as defined in this Act, in an amount equal to at least ten times the weekly benefit amount for which he qualifies in such last benefit year. Benefits payable to an individual with respect to a week shall be reduced, under regulations prescribed by the Board, by any amount received with respect to such week as a retirement pension or annuity under a public or private retirement plan or system provided, or contributed to, by any base period employer. An amount received with respect to a period other than a week shall be prorated by weeks. No reduction shall be made under the preceding two sentences for (A) any retirement pension or annuity received by reason of disability, or (B) any amount received under title II of the Social Security Act.

70 Stat. 817.  
42 USC 401-425.

“(d) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to thirty-four times his weekly benefit amount or 50 percent of the wages for employment paid to such individual by employers during his base period, whichever is the lesser. Such total amount of benefits, if not a multiple of \$1, shall be computed to the next higher multiple of \$1.”

SEC. 7. Subsection (f) of section 7 of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-307(f)) is amended by striking out “\$30” and inserting in lieu thereof “the established maximum benefit amount”.

68 Stat. 994.

SEC. 8. Clause (b) of section 9 of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-309) is amended to read as follows:

57 Stat. 114.

“(b) that he has during his base period been paid wages for employment by employers equal to those required by subsection (c) of section 7.”

SEC. 9. Subsections (d) and (e) of section 10 of the District of Columbia Unemployment Compensation Act (D.C. Code, sec. 46-310 (d) and (e)) are amended to read as follows:

“(d) (1) Benefits shall not be denied to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (A) If the position offered is vacant due directly to a strike, lockout, or other labor dispute; (B) if the wages, earnings, hours, or other conditions of the work offered are less favorable to the individual than those prevailing for similar work in the locality; (C) if as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

Disqualification  
for benefits, ex-  
ceptions.

“(2) Compensation shall not be denied to any otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the Board, and such individual shall be deemed to be otherwise eligible for any such week despite the provisions of section 9(d) and subsection (c) of this section.

“(e) If any individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed

Training or re-  
training course,  
eligibility condi-  
tion.

by it, to attend a training or retraining course when recommended by the manager of the employment office or by the Board and such course is available at public expense, he shall not be eligible for benefits with respect to any week in which such failure occurred."

Effective date.

SEC. 10. The amendments made by this Act shall take effect on the first day of the first calendar quarter which begins after the date of enactment of this Act.

Approved March 30, 1962.

## Public Law 87-425

### AN ACT

March 30, 1962  
[S. 2533]

To amend the requirements for participation in the 1962 feed grain program.

Agriculture.  
Feed grain pro-  
gram, 1962.  
72 Stat. 994;  
75 Stat. 301.  
7 USC 1441 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 105 (c) (4) of the Agricultural Act of 1949 is amended by changing the parenthetical statement in the first sentence to read as follows: "(except in the case of a producer of malting barley as hereinafter described and except in the case of a producer of barley on a summer-fallow farm as hereinafter described)", and by changing the period at the end of such section to a colon and adding the following: "*Provided further*, That no producer of barley on a farm where summer fallow is the normal practice shall be required to participate in the special agricultural conservation program for 1962 for barley if he (i) does not knowingly devote an acreage on the farm to barley in excess of the average acreage devoted on the farm to barley in 1959 and 1960 plus the acreage devoted to summer fallow in 1961 which is diverted from the production of wheat under the special 1962 wheat program, and (ii) does not knowingly devote an acreage on the farm to corn, grain sorghums, and barley in excess of 80 per centum of the average acreage devoted on the farm to corn, grain sorghums, and barley in 1959 and 1960."

49 Stat. 1151;  
75 Stat. 302.  
16 USC 590p.

SEC. 2. Section 16(d) (1) of the Soil Conservation and Domestic Allotment Act is amended by changing the parenthetical statement in the second sentence to read as follows: "(other than a producer of malting barley as described in section 105(c) (4) of the Agricultural Act of 1949, or a producer of barley on a summer-fallow farm as described in such section)", and by inserting after the second sentence a new sentence reading as follows: "The excess, if any, of the acreage devoted to barley in 1962 on a summer-fallow farm as described in section 105(c) (4) of the Agricultural Act of 1949 over the average acreage devoted to barley on such farm in 1959 and 1960 shall be considered as planted to corn and grain sorghums for the purpose of determining extent of participation and payments under the special agricultural conservation program for 1962 for corn and grain sorghums."

Approved March 30, 1962.

## Public Law 87-426

## AN ACT

To provide for the free entry of an intermediate lens beta-ray spectrometer for the use of Tulane University, New Orleans, Louisiana, and to amend section 165 of the Internal Revenue Code of 1954 with respect to treatment of casualty losses in areas designated by the President as disaster areas.

March 31, 1962  
[H. R. 641]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to admit free of duty one intermediate lens beta-ray spectrometer imported for the use of Tulane University, New Orleans, Louisiana.

Beta-ray spec-  
trometer.  
Free entry.

SEC. 2. (a) Section 165 of the Internal Revenue Code of 1954 (relating to losses) is amended—

Disaster losses.  
Tax treatment.  
68A Stat. 49.  
26 USC 165.

(1) By redesignating subsection (h) as subsection (i), and

(2) By inserting after subsection (g) a new subsection (h) as follows—

“(h) DISASTER LOSSES.—Notwithstanding the provisions of subsection (a), any loss

“(1) attributable to a disaster which occurs during the period following the close of the taxable year and on or before the time prescribed by law for filing the income tax return for the taxable year (determined without regard to any extension of time), and

“(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under sections 1855–1855g of title 42,

64 Stat. 1109.

at the election of the taxpayer, may be deducted for the taxable year immediately preceding the taxable year in which the disaster occurred. Such deduction shall not be in excess of so much of the loss as would have been deductible in the taxable year in which the casualty occurred. If an election is made under this subsection, the casualty resulting in the loss will be deemed to have occurred in the taxable year for which the deduction is claimed.”

(b) The amendments made by this section shall be effective with respect to any disaster occurring after December 31, 1961.

Effective date.

Approved March 31, 1962.

## Public Law 87-427

## AN ACT

For the relief of the city of Pasco, Washington.

March 31, 1962  
[S. 1756]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the city of Pasco, Washington, is hereby relieved of all liability to pay to the United States the sum of \$3,000, representing the value of approximately 60,000 cubic yards of sand and gravel removed and sold by such city in connection with the development of a portion of a reservoir area (formed by the McNary Dam project) licensed to such city by the United States under the provisions of section 4 of the Act of December 22, 1944, as amended (58 Stat. 889), such city having utilized the total proceeds realized from the disposition of such sand and gravel for the construction of a public recreational facility.

Pasco, Wash.  
Relief.

68 Stat. 1266.  
16 USC 460d.

Approved March 31, 1962.

## Public Law 87-428

## AN ACT

March 31, 1962  
[S. 1691]

To provide that any juvenile who has been determined delinquent by a district court of the United States may be committed by the court to the custody of the Attorney General for observation and study.

Juvenile delin-  
quents.  
Commitments.  
62 Stat. 858.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 5034 of title 18 of the United States Code is amended by adding immediately after the third paragraph thereof the following new paragraph:

"If the court desires more detailed information as a basis for determining whether to place any juvenile delinquent on probation or to commit him to the custody of the Attorney General under the first paragraph of this section, the court may commit such delinquent to the custody of the Attorney General for observation and study at an appropriate classification center or agency. The Director of the Bureau of Prisons, under such regulations as the Attorney General may prescribe, shall, after the delinquent has been so committed, cause a complete study to be made of the delinquent, including a mental and physical examination, to ascertain his personal traits, his capabilities, pertinent circumstances of his social background, any previous delinquency or criminal experience, any mental or physical defect or other factor contributing to his delinquency, and any other factors which the Director may consider pertinent. A full and complete report of the results of such study, together with any recommendations which the Director believes would be helpful to the court in making its determination, shall be furnished to the court by the Director within sixty days after the date such delinquent is ordered committed to the custody of the Attorney General under this paragraph unless the court grants additional time for further study. No delinquent shall be committed under this paragraph for a period exceeding his minority or the term which might have been imposed had he been tried and convicted of the alleged violation for which he was determined delinquent, whichever occurs first."

Report.

Approved March 31, 1962.

## Public Law 87-429

## JOINT RESOLUTION

April 4, 1962  
[H. J. Res. 441]

To commemorate the seventy-fifth anniversary of the Interstate Commerce Commission.

Whereas April 5, 1962, is the seventy-fifth anniversary of the Interstate Commerce Commission; and

Whereas the Interstate Commerce Commission is the oldest regulatory agency in the United States, having been established by the Act to regulate commerce enacted on February 4, 1887; and

24 Stat. 379;  
54 Stat. 899.  
49 USC 27 and  
note.

Whereas the duties and responsibilities of the Interstate Commerce Commission have been expanded throughout the past seventy-five years so that its activities in regulating the transportation industry now affect the life of every citizen of the United States: Therefore be it

Interstate Com-  
merce Commis-  
sion.  
Anniversary.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States is authorized and requested to issue a proclamation designating the 5th day of April 1962 as Interstate Commerce Commission Day, for the purpose of commemorating the seventy-fifth anniversary of the Interstate Commerce Commission.

Approved April 4, 1962.

## Public Law 87-430

## JOINT RESOLUTION

To provide for the reappointment of Doctor Caryl P. Haskins as Citizen Regent of the Board of Regents of the Smithsonian Institution.

April 4, 1962  
[S. J. Res. 152]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor Caryl P. Haskins, of Washington, District of Columbia, on April 6, 1962, be filled by the reappointment of the present incumbent for the statutory term of six years.

Smithsonian Institution.

Approved April 4, 1962.

## Public Law 87-431

## JOINT RESOLUTION

To provide for the reappointment of Doctor Crawford H. Greenewalt as Citizen Regent of the Board of Regents of the Smithsonian Institution.

April 4, 1962  
[S. J. Res. 153]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor Crawford H. Greenewalt, of Wilmington, Delaware, on April 6, 1962, be filled by the reappointment of the present incumbent for the statutory term of six years.

Smithsonian Institution.

Approved April 4, 1962.

## Public Law 87-432

## AN ACT

To provide assistance to Menominee County, Wisconsin, and for other purposes.

April 4, 1962  
[H. R. 4130]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to provide financial assistance to Menominee County, Wisconsin, for a transitional period after April 30, 1961, the Secretary of the Interior is authorized, notwithstanding anything contained in the Menominee Indian Termination Act of June 17, 1954 (68 Stat. 250), as amended (25 U.S.C. 891-902), and the proclamation of the Secretary of the Interior pursuant thereto dated April 26, 1961 (26 Fed. Reg. 3726), to make grants either to the State of Wisconsin for distribution to the County or Town of Menominee or directly to said county or town, for contributions to joint school district costs, in not more than the following amounts:

Menominee County, Wis. Assistance.

- (a) during the year ending April 30, 1962, \$220,000;
- (b) during the year ending April 30, 1963, 80 per centum of the amount aforesaid;
- (c) during the year ending April 30, 1964, 60 per centum of the amount aforesaid;
- (d) during the year ending April 30, 1965, 40 per centum of the amount aforesaid;
- (e) during the year ending April 30, 1966, 20 per centum of the amount aforesaid.

Any grant made under this section shall be made only upon such written assurances relating to control and supervision by responsible State officials to insure that the grant is used for the purpose intended as the Secretary may require. No grant shall serve to diminish the amounts which the County or Town of Menominee is entitled to receive from the State as provided by its laws, except so far as such diminution arises from treating the grants as if they were taxes raised by said county or town for purposes of determining what amounts, if any, the State is required to pay to said county and town under its laws.

SEC. 2. The Surgeon General of the Public Health Service, Department of Health, Education, and Welfare, is authorized to construct under the Act of July 31, 1959 (73 Stat. 267, 42 U.S.C. 2004a), such sanitation facilities on the former Menominee Reservation as he finds are reasonable and justified and to expend for this purpose not more than \$438,000. The authority granted by this section shall expire at the end of fiscal year 1965.

Appropriation.

SEC. 3. There are authorized to be appropriated such sums, not in excess of \$1,098,000, as are required to carry out the provisions of this Act.

Approved April 4, 1962.

#### Public Law 87-433

##### AN ACT

April 10, 1962  
[H. R. 10573]

To grant the American Numismatic Association perpetual succession.

D. C.  
American Numismatic Association.  
Perpetual succession.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) section 2 of the Act entitled "An Act to incorporate the American Numismatic Association", approved May 9, 1912 (37 Stat. 108), is amended by striking out "succession of fifty years, save as hereinafter provided." and inserting in lieu thereof "perpetual succession."

(b) Section 5 of such Act is amended by inserting immediately after "vested in a board of" the following: "not less than".

Approved April 10, 1962.

#### Public Law 87-434

##### AN ACT

April 21, 1962  
[H. R. 6676]

To designate the Kettle Creek Dam on Kettle Creek, Pennsylvania, as the Alvin R. Bush Dam.

Alvin R. Bush  
Dam.  
Designation.

68 Stat. 1257.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the dam known as the Kettle Creek Dam authorized to be constructed on Kettle Creek in the Susquehanna River Basin in the State of Pennsylvania by the Flood Control Act of 1954 shall be known and designated hereafter as the "Alvin R. Bush Dam". Any law, regulation, map, document, record, or other paper of the United States in which such dam is referred to shall be held to refer to such dam as the "Alvin R. Bush Dam".

Approved April 21, 1962.

## Public Law 87-435

## AN ACT

To amend Public Law 86-272, as amended, with respect to the reporting date.

April 21, 1962  
[H. R. 10043]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 202 of Public Law 86-272 (73 Stat. 556), as amended, is amended to read as follows:

"SEC. 202. The committees shall report to their respective Houses the results of such studies, together with their proposals for legislation on or before July 1, 1963."

Approved April 21, 1962.

Interstate commerce.  
Taxation studies.  
Reporting date, extension.  
15 USC 381 note.

## Public Law 87-436

## AN ACT

To authorize appropriations during fiscal year 1963 for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

April 27, 1962  
[H. R. 9751]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That funds are hereby authorized to be appropriated during fiscal year 1963 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, and naval vessels, as authorized by law, in amounts as follows:

Aircraft, missiles, naval vessels.  
Appropriation.

## AIRCRAFT

For aircraft: For the Army, \$218,500,000; for the Navy and the Marine Corps, \$2,134,600,000; for the Air Force, \$3,626,000,000, of which amount \$491,000,000 is authorized only for the production planning and long leadtime procurement of an RS-70 weapon system: *Provided*, That effective July 1, 1962, restrictions on the fund authorization contained in Public Law 87-53, approved June 21, 1961, for the procurement of aircraft, will no longer apply.

75 Stat. 94.

## MISSILES

For missiles: For the Army, \$558,300,000; for the Navy, \$930,400,000; for the Marine Corps, \$22,300,000; for the Air Force, \$2,500,000,000.

## NAVAL VESSELS

For naval vessels: For the Navy, \$2,979,200,000.

SEC. 2. Section 412(b) of Public Law 86-149 is amended to read as follows:

73 Stat. 322.  
5 USC 171a note.

"(b) No funds may be appropriated after December 31, 1960, to or for the use of any armed force of the United States for the procurement of aircraft, missiles, or naval vessels, or after December 31, 1962, to or for the use of any armed force of the United States for the research, development, test, or evaluation of aircraft, missiles, or naval vessels, unless the appropriation of such funds has been authorized by legislation enacted after such dates."

Approved April 27, 1962.



## Public Law 87-437

April 27, 1962  
[S. J. Res. 147]

## JOINT RESOLUTION

Providing for the establishment of the North Carolina Tercentenary Celebration Commission to formulate and implement plans to commemorate the three hundredth anniversary of the State of North Carolina, and for other purposes.

Whereas the year 1963 will mark the tercentenary of the charter by which King Charles II of England conveyed to Edward, Earl of Clarendon; George, Duke of Albemarle; William, Lord Craven; John, Lord Berkeley; Anthony, Lord Ashley; Sir George Carteret, knight and baronet; Sir William Berkeley, knight; and Sir John Colleton, knight and baronet "all that territory or tract of ground situate, lying and being within our dominions in America extending from the north end of . . . Luck Island which lies . . . within six and thirty degrees of the northern latitude, and to the west as far as the South Seas, and so southerly as far as the River Saint Matthias, which borders upon the coast of Florida and within one and thirty degrees of northern latitude, and west in a direct line as far as the South Seas aforesaid . . . to have, use, exercise and enjoy . . . as . . . true and absolute Lords and Proprietories . . . (with authority to make and) enact under their seals . . . any laws whatsoever, either pertaining to the public state of the said province or to the private utility of particular persons, according to their best discretion, of and with the advice, assent and approbation of the freemen of the said province, or the greater part of them, or of their delegates or deputies . . .;" and

Whereas the foregoing event constitutes a major landmark in the early history of North Carolina and of the United States as an English Colony; and

Whereas it is fitting and desirable that we commemorate the beginnings of the State of North Carolina, together with its subsequent history and future role in the family of the United States, for the benefit of all the people of our Nation; and

Whereas such a commemoration, with careful planning, can be of enduring, rather than transitory, worth to our people: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) there is hereby established a commission to be known as the North Carolina Tercentenary Celebration Commission (hereafter referred to in this joint resolution as the "Commission") which shall be composed of fifteen members as follows:

North Carolina  
Tercentenary Celebration Commission,  
Establishment.

## Membership.

(1) Four members who shall be Members of the Senate, to be appointed by the President of the Senate;

(2) Four members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; and

(3) Seven members to be appointed by the President.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall receive no salary.

## Functions.

SEC. 2. (a) The functions of the Commission shall be to develop and to execute suitable plans for the celebration of a series of anniversaries occurring during 1963, commemorating the three hundredth anniversary of the Carolina charter of 1663, together with significant events in the history of North Carolina from 1663 to 1763, both years inclusive.

Carolina Charter  
Tercentenary Commission.

(b) In carrying out its functions the Commission is authorized to cooperate with and to assist the Carolina Charter Tercentenary Com-

mission and any other agency created or designated by the General Assembly of the State of North Carolina for the purpose of planning and promoting the Carolina charter tercentenary celebration. If the participation of other nations in the celebration is deemed advisable, the Commission may communicate to that end with the governments of such nations through the Department of State.

Planning and promotion.

SEC. 3. The Commission may employ, without regard to the civil service laws or the Classification Act of 1949, as amended, such employees as may be necessary in carrying out its functions. Service of an individual as a member of the Commission, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes of the United States (5 U.S.C. 99).

63 Stat. 954.  
5 USC 1071 note.

Conflict of interest.

62 Stat. 697, 698,  
703, 793.

Donations.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this joint resolution. The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this joint resolution.

Assistance, etc.,  
of Federal agencies.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within three months following the celebration as prescribed by this joint resolution.

Expenditures  
and activities.

Report to Congress.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

Surplus property  
and revenues, disposition.

SEC. 5. The Commission shall expire upon the completion of its duties, but in no event later than April 1, 1964.

Expiration date.

Approved April 27, 1962.

## Public Law 87-438

### JOINT RESOLUTION

April 27, 1962

Providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial.

[H. J. Res. 449]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized and directed to take such action as may be necessary to provide for the establishment of the former dwelling house of Alexander Hamilton (commonly known as The Grange), situated in New York, New York, as a national memorial. However, the Secretary shall not establish the national memorial until he has satisfied himself that the lands which have been donated are sufficient

Alexander Hamilton national memorial.  
Establishment.

to assure the relocation of The Grange and administration and interpretation of the national memorial.

Designation as  
Hamilton Grange  
National Memorial.

SEC. 2. (a) The national memorial established by the Secretary of the Interior pursuant to this joint resolution shall be designated as the Hamilton Grange National Memorial and shall be set aside as a public national memorial to commemorate the historic role played by Alexander Hamilton in the establishment of this Nation.

(b) The National Park Service, under the direction of the Secretary of the Interior, shall administer, protect, and develop such memorial, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935, as amended.

39 Stat. 535.  
16 USC 1-4.

49 Stat. 666.  
16 USC 461-467.  
Appropriation.

SEC. 3. There are hereby authorized to be appropriated such sums, but not more than \$460,000, as may be necessary to carry out the provisions of section 1 of this joint resolution.

Approved April 27, 1962.

## Public Law 87-439

### AN ACT

April 27, 1962  
[S. 1371]

To amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than thirty days prior to expiration of the original license.

Communications  
Act of 1934,  
amendment.  
Licenses.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (e) of section 307 of the Communications Act of 1934, as amended (48 Stat. 1064; 47 U.S.C. 307(e)), is amended by striking out all after "(e)" and adding in lieu thereof the following:

"No renewal of an existing station license in the broadcast or the common carrier services shall be granted more than thirty days prior to the expiration of the original license."

Approved April 27, 1962.

## Public Law 87-440

### AN ACT

April 27, 1962  
[S. 2522]

To defer the collection of irrigation maintenance and operation charges for calendar year 1962 on lands within the Angostura unit, Missouri River Basin project.

Missouri River  
Basin, Angostura  
unit.  
Deferment of  
charges.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized and directed to defer, without interest, the collection of irrigation maintenance and operation charges due in the calendar year 1962 as shown in the March 14, 1961, notice of 1962 water charges to the Angostura Irrigation District: *Provided*, That the Secretary and the district enter into a contract prior to May 1, 1962, for the payment by the district of such deferred charges during the forty-year period commencing January 1, 1966.

Approved April 27, 1962.

## Public Law 87-441

## AN ACT

April 27, 1962  
[H. R. 8921]

To provide for the annual audit of bridge commissions and authorities created by Act of Congress, for the filling of vacancies in the membership thereof, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) each bridge commission and authority created by Act of Congress shall provide for an annual audit of its financial transactions by an independent public accountant of recognized standing in such manner as prescribed by the Governors of the States concerned and in accordance with generally accepted auditing standards. Each such commission and authority shall make available for such purposes all books, accounts, financial records, reports, files, and all other papers, documents, or property belonging to or in use by such commission or authority. The General Accounting Office is authorized and directed to make available its advice on any matter pertaining to an audit performed pursuant to this section.

Federally cre-  
ated bridge com-  
missions and au-  
thorities.  
Annual audit.

(b) The commission or authority within four months following the close of the fiscal year for which the audit is made shall submit a copy of the audit report to the Governors of the States concerned and to the Secretary of Commerce. The report shall set forth the scope of the audit and shall include a statement of assets and liabilities, capital, and surplus or deficits; a statement of surplus or deficit analysis, a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the Governors of the States concerned and the Secretary of Commerce informed of the operations and financial condition of the commission.

Audit report to  
Governors and  
Secretary of Com-  
merce.

(c) The Governor of either State concerned or the Secretary of Commerce is authorized to provide for the conduct of further audits of any bridge commission or authority created by Act of Congress if the audit report submitted under subsection (b) is not satisfactory to said Governor or to the Secretary of Commerce, respectively.

(d) The commission or authority shall bear all expenses of the annual audit of its financial transactions as required by this section. All expenses of any additional audit required under this section shall be paid by the official or agency requesting such additional audit.

SEC. 2. (a) Each person who is a member, on the date of enactment of this Act, of a bridge commission or authority created by Act of Congress shall continue in office until the expiration of his present term, except as provided under subsection (b) of this section.

Members.  
Terms of office.

(b) (1) Except as provided in paragraph (2) of this subsection, where provision is made in the Act creating a bridge commission or authority for membership thereon without limitation as to length of term of office, the Secretary of Commerce shall, on or before the expiration of ninety days after the date of this Act, reappoint not more than one-third of the persons who are members of such bridge commission or authority on the date of enactment of this Act as members of such bridge commission or authority for a term of two years from the date of reappointment, reappoint not more than one-third of the members of such bridge commission or authority for a term of four years, and reappoint the remaining members for a term of six years. Thereafter, the term of each member appointed to such commission

or authority shall be six years, except when an appointment is made to fill an unexpired term or when an incumbent member whose term has expired holds over until his successor is appointed, and vacancies shall be filled as provided under subsection (c) of this section.

White County  
Bridge Commis-  
sion.

(2) Notwithstanding any other provision of law, the term of office of each person who is a member of the White County Bridge Commission, created by the Act approved April 12, 1941 (55 Stat. 140), on the date of enactment of this Act shall expire on the ninetieth day after such date of enactment. The Secretary of Commerce may thereupon appoint three persons as members of the commission, one for a term of two years, one for a term of four years, and one for a term of six years. Each person appointed as a member of the commission thereafter shall be appointed for a term of six years, except that a person appointed to fill a vacancy shall serve only for the unexpired term of his predecessor. Each person appointed under this subsection shall give such bond as may be fixed by the Secretary of Commerce, conditioned upon the faithful performance of all duties required by this Act. The cost of such bonds shall be deemed an operating expense of the commission. The Secretary of Commerce shall designate the member of the commission who shall serve as chairman and the member who shall serve as vice chairman. Vacancies in the commission shall not affect its powers, and shall be filled in the same manner as the original appointments were made. The commission shall have power to establish rules and regulations for the government of its business.

Bond.

Vacancies.

(c) A vacancy in the membership of any bridge commission or authority to which this Act is applicable occurring by reason of expiration of term, failure to qualify as a member, death, removal from office, resignation, or otherwise, shall be filled by the Secretary of Commerce. Incumbent members whose terms have expired shall hold over in office until their successors are appointed and qualified.

(d) Each member appointed under this Act shall qualify within thirty days after appointment by filing with the Secretary of Commerce an oath that he will faithfully perform the duties imposed upon him by law.

(e) Each member appointed under this Act shall be removable for cause by the Secretary of Commerce.

Exception.

(f) This section shall not be applicable to ex officio members or State highway department members of such bridge commissions or authorities.

Annual report to  
Governors and  
Secretary of Com-  
merce.

SEC. 3. Each bridge commission and authority created by Act of Congress shall submit an annual report, covering its operations and fiscal transactions during the preceding fiscal year, its financial condition and a statement of all receipts and expenditures during such period, to the Governors of the States concerned and to the Secretary of Commerce not later than four months following the close of the fiscal year for which the audit required under section 1 of this Act is made. The Secretary of Commerce shall review such annual reports and audit reports submitted under section 1(b) of this Act and shall make recommendations to the Congress based upon such review, or take such other action as he may consider necessary, to effectuate the intent of the Congress as established by this Act or by the Act under which the individual bridge commission or authority was created.

Transfer author-  
ity.

SEC. 4. Authority is hereby granted to transfer all functions, powers, duties, responsibilities, authority, assets, liability, obligations, books, records, property, and equipment of any existing bridge commission

or authority created by Act of Congress to the highway department or other agency of the State or States concerned, or to joint agencies established by interstate compact or agreement. Such transfer shall be carried out in a manner as may be prescribed or authorized by the laws of the State or States concerned. Upon such transfer, such bridge commission or authority shall cease to exist.

SEC. 5. (a) All provisions of Acts of Congress creating bridge commissions or authorities may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy by the chief legal officer of either State concerned, in any court having competent jurisdiction of the subject matter and of the parties. The following provisions of law are hereby repealed:

Enforcement.

Section 11 of the Act approved October 30, 1951 (65 Stat. 699);  
Section 15 of the Act approved July 26, 1956 (70 Stat. 676);  
Section 12 of the Act approved April 12, 1941 (55 Stat. 144).

Repeals.

(b) Members and employees of bridge commissions and authorities created by Act of Congress shall not be deemed to be Federal officers and employees.

(c) The members of such bridge commissions and authorities shall each be entitled to a per diem compensation for their services of \$20 for each day actually spent in the business of the commission or authority, but the maximum per diem compensation of the chairman in any one year shall not exceed \$3,000, and of each other member in any one year shall not exceed \$2,000. The members of such commissions and authorities shall also be entitled to receive traveling expense allowance of 12 cents a mile for each mile actually traveled on the business of the commission or authority.

Per diem compensation.

Payments under the provisions of this subsection shall be in lieu of any other payments for salary or expenses authorized for service as a member of any such commission or authority under the provisions of any other Federal law relating to such commission or authority, but nothing in this subsection shall affect any other Federal law with respect to the funds from which any such payments shall be made.

This subsection shall not apply to any bridge or causeway commission or authority created by an Act of Congress, the entire membership of which is ex officio.

Exception.

SEC. 6. The provisions of this Act shall apply only to the following bridge commissions and authority:

(1) Arkansas-Mississippi Bridge Commission, created by the Act approved May 17, 1939 (53 Stat. 747);

(2) White County Bridge Commission, created by the Act approved April 12, 1941 (55 Stat. 140);

(3) City of Clinton Bridge Commission, created by the Act approved December 21, 1944 (58 Stat. 846);

(4) Sabine Lake Bridge and Causeway Authority, created by the Act approved October 30, 1951 (65 Stat. 695); and

(5) Muscatine Bridge Commission, created by the Act approved July 26, 1956 (70 Stat. 669).

SEC. 7. If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of the Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Separability provisions.

Approved April 27, 1962.

## Public Law 87-442

## AN ACT

To amend the Peace Corps Act.

April 27, 1962  
[H. R. 10700]Peace Corps  
Act, amendment.  
75 Stat. 612.  
22 USC 2502.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 3 (b) of the Peace Corps Act, which authorizes appropriations to carry out the purposes of that Act, is amended by striking out "1962" and "\$40,000,000" and substituting "1963" and "\$63,750,000", respectively.

Approved April 27, 1962.

## Public Law 87-443

## AN ACT

To provide for a National Portrait Gallery as a bureau of the Smithsonian Institution.

April 27, 1962  
[S. 1057]National Portrait  
Gallery Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "National Portrait Gallery Act".

SEC. 2. For the purposes of this Act—

(a) The term "Board" means the Board of Regents of the Smithsonian Institution.

(b) The term "Commission" means the National Portrait Gallery Commission as provided for in this Act.

(c) The term "Gallery" means the National Portrait Gallery established by this Act.

(d) The term "gift" includes a gift, bequest, or devise, whether outright or in trust, and any legal instrument by which the gift is effected.

(e) The term "portraiture" for purposes of this Act shall mean painted or sculptured likenesses.

National Portrait  
Gallery.  
Establishment.

SEC. 3. (a) There is hereby established in the Smithsonian Institution a bureau which shall be known as the National Portrait Gallery. The functions of such bureau shall be those authorized by this Act. The use for the purposes of the Gallery of any part of the building transferred to the Smithsonian Institution pursuant to the Act of March 28, 1958 (72 Stat. 68), is hereby authorized.

(b) The Gallery shall function as a free public museum for the exhibition and study of portraiture and statuary depicting men and women who have made significant contributions to the history, development, and culture of the people of the United States and of the artists who created such portraiture and statuary.

National Portrait  
Gallery Commis-  
sion.  
Establishment.

SEC. 4. There is hereby created the National Portrait Gallery Commission. The number, manner of appointment and tenure of the members of the Commission shall be such as the Board may from time to time prescribe. The Board may delegate to the Commission any function of the Gallery or any function of the Board with respect to the Gallery. The Board may make rules and regulations for the conduct of the affairs of the Commission and the operation of the Gallery, and to the extent and under such limitations as the Board deems advisable, the Board may delegate to the Commission the power to make such rules and regulations.

Gifts.

SEC. 5. (a) The Board is authorized to accept for the Smithsonian Institution gifts of any property for the benefit of the Gallery.

(b) Legal title to all property (except property of the United States) held for the use or benefit of the Gallery shall be vested in the Smithsonian Institution. Subject to any limitations otherwise expressly provided by law, and, in the case of any gift, subject to any applicable restrictions under the terms of such gift, the Board is authorized to sell, exchange, or otherwise dispose of any property of whatsoever nature held by it, and to invest in, reinvest in, or purchase any property of whatsoever nature for the benefit of the National Portrait Gallery.

SEC. 6. For the purpose of carrying out any function authorized by section 3 of this Act, the Board may—

(1) purchase, accept, borrow, or otherwise acquire portraiture, statuary, and other items for preservation, exhibition, or study. The Board may acquire any such item on the basis of its general historical interest, its artistic merit, or the historical significance of the individual to which it relates, or any combination of any such factors. The Board may acquire period furniture and other items to enhance its displays of portraiture and statuary.

(2) preserve or restore any item acquired pursuant to paragraph (1).

(3) display, loan, store, or otherwise hold any such item.

(4) sell, exchange, donate, return, or otherwise dispose of any such item.

SEC. 7. (a) The Board may appoint and fix the compensation and duties of a director of the Gallery, and his appointment and salary shall not be subject to the civil-service laws or the Classification Act of 1949, as amended. The Board may employ such other officers and employees as may be necessary for the efficient administration, operation, and maintenance of the Gallery.

Director.  
Salary, duties.

63 Stat. 954.  
5 USC 1071 note.

(b) The Board may delegate to the Secretary of the Smithsonian Institution, as well as to the Commission, any of its functions pursuant to subsection (a) of this section.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Appropriation.

Approved April 27, 1962.

## Public Law 87-444

### AN ACT

April 27, 1962  
[S. 683]

To amend the Communications Act of 1934, as amended, by eliminating the requirement of an oath or affirmation on certain documents filed with the Federal Communications Commission.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 219 of the Communications Act of 1934, as amended (47 U.S.C. 219(a)), is amended by striking out from the first sentence thereof the words "under oath".

Communications  
Act of 1934,  
amendment.  
Oath require-  
ment, elimination.  
70 Stat. 931.  
48 Stat. 1077.

SEC. 2. That subsection (b) of section 219 of the Communications Act of 1934, as amended (47 U.S.C. 219(b)), is amended by striking out from the penultimate sentence thereof after the word "Act" the semicolon, adding a period thereafter and striking out the following: "and such periodical or special reports shall be under oath whenever the Commission so requires".

SEC. 3. That subsection (b) of section 308 of the Communications Act of 1934, as amended (47 U.S.C. 308(a)), is amended by striking



out from the last sentence thereof the words "under oath or affirmation".

SEC. 4. That subsection (a) of section 319 of the Communications Act of 1934, as amended (47 U.S.C. 319(a)), is amended by striking out from the last sentence thereof the words "under oath or affirmation".

Approved April 27, 1962.

## Public Law 87-445

April 27, 1962  
[S. 1589]

### AN ACT

To amend the Communications Act of 1934 to authorize the issuance of radio operator licenses to nationals of the United States.

Communications  
Act of 1934,  
amendment.  
Licenses.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 303(1) of the Communications Act of 1934 (48 Stat. 1082) as amended (47 U.S.C. 303(1)), is hereby amended by inserting the words "or nationals" immediately following the word "citizens".

Approved April 27, 1962.

## Public Law 87-446

April 27, 1962  
[H. R. 11027]

### AN ACT

To amend the Agricultural Adjustment Act of 1938, as amended.

Cotton.  
72 Stat. 186;  
75 Stat. 84.  
7 USC 1344.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 344(n) of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by striking out the figures "1961" where they first appear therein and inserting the figures "1962".

Approved April 27, 1962.

## Public Law 87-447

May 1, 1962  
[S. 205]

### AN ACT

To amend the Communications Act of 1934 to establish a program of Federal matching grants for the construction of television broadcasting facilities to be used for educational purposes.

Communications  
Act of 1934,  
amendment.  
48 Stat. 1081.  
47 USC 301-386.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title III of the Communications Act of 1934 is amended by adding at the end thereof the following new part:

### "PART IV—GRANTS FOR EDUCATIONAL TELEVISION BROADCASTING FACILITIES

#### "DECLARATION OF PURPOSE

"SEC. 390. The purpose of this part is to assist (through matching grants) in the construction of educational television broadcasting facilities.

## “AUTHORIZATION OF APPROPRIATIONS

“SEC. 391. There are authorized to be appropriated for the fiscal year ending June 30, 1963, and each of the four succeeding fiscal years such sums, not exceeding \$32,000,000 in the aggregate, as may be necessary to carry out the purposes of section 390. Sums appropriated pursuant to this section shall remain available for payment of grants for projects for which applications, approved under section 392, have been submitted under such section prior to July 1, 1968.

## “GRANTS FOR CONSTRUCTION

“SEC. 392. (a) For each project for the construction of educational television broadcasting facilities there shall be submitted to the Secretary an application for a grant containing such information with respect to such project as the Secretary may by regulation require, including the total cost of such project and the amount of the Federal grant requested for such project, and providing assurance satisfactory to the Secretary—

“(1) that the applicant is (A) an agency or officer responsible for the supervision of public elementary or secondary education or public higher education within that State, or within a political subdivision thereof, (B) the State educational television agency, (C) a college or university deriving its support in whole or in part from tax revenues, or (D) a nonprofit foundation, corporation, or association which is organized primarily to engage in or encourage educational television broadcasting and is eligible to receive a license from the Federal Communications Commission for a noncommercial educational television broadcasting station pursuant to the rules and regulations of the Commission in effect on April 12, 1962;

“(2) that the operation of such educational television broadcasting facilities will be under the control of the applicant or a person qualified under paragraph (1) to be such an applicant;

“(3) that necessary funds to construct, operate, and maintain such educational television broadcasting facilities will be available when needed; and

“(4) that such television broadcasting facilities will be used only for educational purposes.

“(b) The total amount of grants under this part for the construction of educational television broadcasting facilities to be situated in any State shall not exceed \$1,000,000.

“(c) In order to assure proper coordination of construction of educational television broadcasting facilities within each State which has established a State educational television agency, each applicant for a grant under this section for a project for construction of such facilities in such State, other than such agency, shall notify such agency of each application for such a grant which is submitted by it to the Secretary, and the Secretary shall advise such agency with respect to the disposition of each such application.

“(d) The Secretary shall base his determinations of whether to approve applications for grants under this section and the amount of such grants on criteria set forth in regulations and designed to achieve (1) prompt and effective use of all educational television channels remaining available, (2) equitable geographical distribution of educational television broadcasting facilities throughout the States, and

(3) provision of educational television broadcasting facilities which will serve the greatest number of persons and serve them in as many areas as possible, and which are adaptable to the broadest educational uses.

“(e) Upon approving any application under this section with respect to any project, the Secretary shall make a grant to the applicant in the amount determined by him, but not exceeding (1) 50 per centum of the amount which he determines to be the reasonable and necessary cost of such project, plus (2) 25 per centum of the amount which he determines to be the reasonable and necessary cost of any educational television broadcasting facilities owned by the applicant on the date on which it files such application; except that (A) the total amount of any grant made under this section with respect to any project may not exceed 75 per centum of the amount determined by the Secretary to be the reasonable and necessary cost of such project; and (B) not more than 15 per centum of any such grant may be used for the acquisition and installation of microwave equipment, boosters, translators, and repeaters which are to be used to connect two or more broadcasting stations. The Secretary shall pay such amount, in advance or by way of reimbursement, and in such installments consistent with construction progress, as he may determine.

“(f) If, within ten years after completion of any project for construction of educational television broadcasting facilities with respect to which a grant has been made under this section—

“(1) the applicant or other owner of such facilities ceases to be an agency, officer, institution, foundation, corporation, or association described in subsection (a)(1), or

“(2) such facilities cease to be used for educational television purposes (unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation so to do),

the United States shall be entitled to recover from the applicant or other owner of such facilities the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facilities are situated) of such facilities, as the amount of the Federal participation bore to the cost of construction of such facilities.

#### “RECORDS

“SEC. 393. (a) Each recipient of assistance under this part shall keep such records as may be reasonably necessary to enable the Secretary to carry out his functions under this part, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

“(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this part.

“DEFINITIONS

“SEC. 394. For the purposes of this part—

“(1) The term ‘State’ includes the District of Columbia and the Commonwealth of Puerto Rico.

“(2) The term ‘construction’, as applied to educational television broadcasting facilities, means the acquisition and installation of transmission apparatus (including towers, microwave equipment, boosters, translators, repeaters, mobile equipment, and video-recording equipment) necessary for television broadcasting, including apparatus which may incidentally be used for transmitting closed circuit television programs, but does not include the construction or repair of structures to house such apparatus.

“(3) The term ‘Secretary’ means the Secretary of Health, Education, and Welfare.

“(4) The term ‘State educational television agency’ means (A) a board or commission established by State law for the purpose of promoting educational television within a State, (B) a board or commission appointed by the Governor of a State for such purpose if such appointment is not inconsistent with State law, or (C) a State officer or agency responsible for the supervision of public elementary or secondary education or public higher education within the State which has been designated by the Governor to assume responsibility for the promotion of educational television; and, in the case of the District of Columbia, the term ‘Governor’ means the Board of Commissioners of the District of Columbia.

“(5) The term ‘nonprofit’ as applied to any foundation, corporation, or association, means a foundation, corporation, or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

“PROVISION OF ASSISTANCE BY FEDERAL COMMUNICATIONS COMMISSION

“SEC. 395. The Federal Communications Commission is authorized to provide such assistance in carrying out the provisions of this part as may be requested by the Secretary. The Secretary shall provide for consultation and close cooperation with the Federal Communications Commission in the administration of his functions under this part which are of interest to or affect the functions of the Commission.

“RULES AND REGULATIONS

“SEC. 396. The Secretary is authorized to make such rules and regulations as may be necessary to carry out this part, including regulations relating to the order of priority in approving applications for projects under section 392 or to determining the amounts of grants for such projects.

“FEDERAL INTERFERENCE OR CONTROL PROHIBITED

“SEC. 397. Nothing contained in this part shall be deemed (1) to amend any other provision of, or requirement under this Act; or (2) to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over educational television broadcasting or over the curriculum, program of instruction, or personnel of any educational institution, school system, or educational broadcasting station or system.”

Approved May 1, 1962, 12:05 p. m.

## Public Law 87-448

May 11, 1962  
[S. 1668]

## AN ACT

To authorize the imposition of forfeitures for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title V of the Communications Act of 1934 is amended by adding at the end thereof a new section as follows:

Communications  
Act of 1934,  
amendment.  
Forfeitures.  
48 Stat. 1100.  
47 USC 501-509.

“FORFEITURE IN CASES OF VIOLATIONS OF CERTAIN RULES AND REGULATIONS

“SEC. 510. (a) Where any radio station other than licensed radio stations in the broadcast service or stations governed by the provisions of parts II and III of title III and section 507 of this Act—

“(1) is operated by any person not holding a valid radio operator license or permit of the class prescribed in the rules and regulations of the Commission for the operation of such station;

“(2) fails to identify itself at the times and in the manner prescribed in the rules and regulations of the Commission;

“(3) transmits any false call contrary to regulations of the Commission;

“(4) is operated on a frequency not authorized by the Commission for use by such station;

“(5) transmits unauthorized communications on any frequency designated as a distress or calling frequency in the rules and regulations of the Commission;

“(6) interferes with any distress call or distress communication contrary to the regulations of the Commission;

“(7) fails to attenuate spurious emissions to the extent required by the rules and regulations of the Commission;

“(8) is operated with power in excess of that authorized by the Commission;

“(9) renders a communication service not authorized by the Commission for the particular station;

“(10) is operated with a type of emission not authorized by the Commission;

“(11) is operated with transmitting equipment other than that authorized by the Commission; or

“(12) fails to respond to official communications from the Commission;

the licensee of the station shall, in addition to any other penalty prescribed by law, forfeit to the United States a sum not to exceed \$100. In the case of a violation of clause (2), (3), (5), or (6) of this subsection, the person operating such station shall, in addition to any other penalty prescribed by law, forfeit to the United States a sum not to exceed \$100. The violation of the provisions of each numbered clause of this subsection shall constitute a separate offense: *Provided*, That \$100 shall be the maximum amount of forfeiture liability for which the licensee or person operating such station shall be liable under this section for the violation of the provisions of any one of the numbered clauses of this subsection, irrespective of the number of violations thereof, occurring within ninety days prior to the date the notice of apparent liability is issued or sent as provided in subsection (c) of this section: *And provided further*, That \$500 shall be the maximum amount of forfeiture liability for which the licensee or person operating such station shall be liable under this section for all violations of the provisions of this section, irrespective of the total number thereof, occurring within ninety days prior to the date such notice of

50 Stat. 192;  
70 Stat. 1048;  
68 Stat. 729.  
47 USC 351-362,  
381-386, 507.

apparent liability is issued or sent as provided in subsection (c) of this section.

“(b) The forfeiture liability provided for in this section shall attach only for a willful or repeated violation of the provisions of this section by any licensee or person operating a station.

“(c) No forfeiture liability under this section shall attach after the lapse of ninety days from the date of the violation unless within such time a written notice of apparent liability, setting forth the facts which indicate apparent liability, shall have been issued by the Commission and received by such person, or the Commission has sent him such notice by registered mail or by certified mail at his last known address. The person so notified of apparent liability shall have the opportunity to show cause in writing why he should not be held liable and, upon his request, he shall be afforded an opportunity for a personal interview with an official of the Commission at the field office of the Commission nearest to the person's place of residence.”

SEC. 2. Section 504(b) of the Communications Act of 1934 (47 U.S.C. 504(b)) is amended by striking out “sections 503(b) and 507” and inserting in lieu thereof “section 503(b), section 507, and section 510”.

50 Stat. 197.

SEC. 3. The amendments made by this Act shall take effect on the thirtieth day after the date of its enactment.

Effective date.

Approved May 11, 1962.

## Public Law 87-449

### JOINT RESOLUTION

Authorizing the President to proclaim the week in May of each year in which falls the third Friday of that month as National Transportation Week.

May 14, 1962  
[H. J. Res. 628]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States is requested and authorized to officially proclaim annually the week in May of each year in which falls the third Friday of that month as National Transportation Week, and to issue a proclamation inviting the people of the United States to observe such period with appropriate ceremonies and activities, as a tribute to the men and women who, night and day, move goods and people throughout our land.

National Transportation Week.  
Proclamation authorization.

Approved May 14, 1962.

## Public Law 87-450

### JOINT RESOLUTION

To defer the proclamation of marketing quotas and acreage allotments for the 1963 crop of wheat.

May 15, 1962  
[S. J. Res. 185]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, the Secretary of Agriculture may defer until June 15, 1962, any proclamation under section 332 of the Agricultural Adjustment Act of 1938, as amended, with respect to a national acreage allotment for the 1963 crop of wheat and any proclamation under section 335 of such Act for such crop of wheat.

Wheat.  
Post, p. 103.

68 Stat. 903.  
7 USC 1332.

52 Stat. 54.  
7 USC 1335.

Approved May 15, 1962.

## Public Law 87-451

## AN ACT

May 15, 1962  
[H. R. 11413]

To amend the Agricultural Act of 1961 to permit the planting of additional nonsurplus crops on diverted acreage.

Agricultural Act  
of 1961, amend-  
ment.  
Diverted acre-  
age, use.  
75 Stat. 298.  
7 USC 1334 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 124(a) (2) of the Agricultural Act of 1961 is amended by changing the proviso to read as follows: "*Provided*, That the Secretary may permit such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the provisions of subsection (b) (4) of this section".

SEC. 2. Section 124(b) (1) of the Agricultural Act of 1961 is amended by striking out "or sesame." and inserting: "sesame, other annual field crops for which price support is not made available, or flax, payment for which shall be computed in accordance with subsection (b) (4) of this section."

SEC. 3. Section 124(b) of the Agricultural Act of 1961 is amended by adding the following new subsection:

"(4) Payment with respect to diverted acreage devoted to castor beans, guar, safflower, sunflower, sesame, other annual field crops for which price support is not made available, or flax, in accordance with the proviso of subsection (a) (2) of this section, shall be at a rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage."

SEC. 4. Section 16(d) (1) of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by changing the proviso in the first sentence to read as follows: "*Provided*, That the Secretary may permit such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable, taking into consideration the use of such acreage for the production of such crops, but in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage".

Approved May 15, 1962.

75 Stat. 302.  
16 USC 590p.

## Public Law 87-452

## AN ACT

May 15, 1962  
[S. 1139]

To amend the Act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to the waters of the Little Missouri River in order to extend the expiration date of such Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3 of the Act entitled "An Act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes", approved August 28, 1957 (71 Stat. 466), is amended by striking out "four years" and inserting in lieu thereof "eight years".

Approved May 15, 1962.

Little Missouri  
River.  
Interstate compact negotiations, extension.

## Public Law 87-453

## JOINT RESOLUTION

May 21, 1962  
[H. J. Res. 711]

To prescribe names for the several House of Representatives office buildings.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That—

(1) the House of Representatives office building constructed under authority of the Act of March 3, 1903 (32 Stat. 1083, 1113), at a time when the Honorable Joseph Gurney Cannon of Illinois was serving as Speaker of the House of Representatives, is hereby designated, and shall be known, as the "Cannon House Office Building"; and

House of Representatives office buildings.  
Designations.

(2) the House of Representatives office building constructed under the authority of the Act of January 10, 1929 (45 Stat. 1071), at a time when the Honorable Nicholas Longworth of Ohio was serving as Speaker of the House of Representatives, is hereby designated, and shall be known, as the "Longworth House Office Building"; and

(3) the House of Representatives office building being constructed under the authority of the Additional House Office Building Act of 1955 (69 Stat. 41), the construction of which was begun while the Honorable Sam Rayburn of Texas was serving as Speaker of the House of Representatives, is hereby designated, and shall be known, as the "Rayburn House Office Building".

40 USC 175 note.

SEC. 2. Any law, rule, regulation, document, or record of the United States in which reference is made to any building to which the first section of this Joint Resolution applies shall be held to refer to such building under and by the name prescribed for such building by such section.

Approved May 21, 1962.



## Public Law 87-454

May 21, 1962  
[S. 1595]

## AN ACT

To amend the Natural Gas Act to give the Federal Power Commission authority to suspend changes in rate schedules covering sales for resale for industrial use only.

Federal Power  
Commission,  
Authority, ex-  
tension.  
52 Stat. 823.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the first sentence of subsection (e) of section 4 of the Natural Gas Act, as amended (15 U.S.C. 717c(e)), is amended by changing the words "or State commission" to read "State commission, or gas distributing company".

(b) Such subsection (e) is further amended by striking out ": *Provided*, That the Commission shall not have authority to suspend the rate, charge, classification, or service for the sale of natural gas for resale for industrial use only".

Approved May 21, 1962.

## Public Law 87-455

May 21, 1962  
[H. R. 9778]

## AN ACT

To provide for the free entry of certain steel and steel products donated for an addition to the Chippewa County War Memorial Hospital, Sault Sainte Marie, Michigan, and to provide for the free entry of records, diagrams, and other data with regard to business, engineering, or exploration operations conducted outside the United States.

Duty-free entry.  
Certain steel and  
steel products.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to admit free of duty any steel and any steel products donated by the Algoma Steel Corporation Limited, Sault Sainte Marie, Canada, and imported for use in the construction of an addition to the Chippewa County War Memorial Hospital, Sault Sainte Marie, Michigan.

Records, dia-  
grams, etc.  
46 Stat. 672.

SEC. 2. Section 201 of the Tariff Act of 1930, as amended (19 U.S.C. 1201), is amended by adding at the end thereof the following new paragraph:

"PAR. 1827. Records, diagrams, and other data with regard to any business, engineering, or exploration operation conducted outside the United States, whether on paper, cards, photographs, blueprints, tapes, or other media."

Approved May 21, 1962.

## Public Law 87-456

May 24, 1962  
[H. R. 10607]

## AN ACT

To amend the Tariff Act of 1930 and certain related laws to provide for the restatement of the tariff classification provisions, and for other purposes.

Tariff Classifi-  
cation Act of 1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Tariff Classification Act of 1962".

## TITLE I—ADOPTION OF REVISED TARIFF SCHEDULES

SEC. 101. (a) The Tariff Act of 1930, as amended, is amended by striking out titles I and II (19 U.S.C. 1001 and 1201) and, subject to subsection (b) of this section and to sections 102 and 103 of this Act,

by substituting in lieu thereof a new title I entitled "Title I—Tariff Schedules of the United States".

(b) Such new title I (hereinafter in this Act referred to as the "Tariff Schedules of the United States") shall consist of—

- (1) the general headnotes and rules of interpretation;
- (2) schedules 1 to 8, inclusive; and
- (3) the appendix to the tariff schedules;

all as set forth in the report of the United States Tariff Commission (hereinafter in this Act referred to as the "Commission") entitled "Tariff Classification Study, Proposed Revised Tariff Schedules of the United States", dated November 15, 1960, as changed by the "First Supplemental Report" (January, 1962); and

(4) subject to subsection (c), such changes in the provisions identified in paragraphs (1), (2), and (3) of this subsection as the Commission decides—

(A) are necessary to reflect changes in tariff treatment made by statute or under authority of law, arising either before the date of the enactment of this Act or on or after such date of enactment and before the date on which the Tariff Schedules of the United States is published pursuant to subsection (d), or

(B) are otherwise necessary.

In its determinations under this paragraph, the Commission shall apply the standards it applied in its report of November 15, 1960, referred to above.

(c) (1) The Commission shall include the changes provided for in subsection (b) (4), together with the reasons therefor, in one or more supplemental reports which shall be promptly published and submitted to the President and the Congress. The delivery to the Senate and to the House of Representatives shall be made on the same day. In its supplemental reports the Commission shall include written views submitted to the Commission, and testimony before the Commission, with respect to provisions of the proposed Tariff Schedules of the United States, together with the comments of the Commission on such views and testimony.

Supplemental reports to President and Congress.

(2) (A) No change submitted pursuant to the authority contained in subsection (b) (4) (B) shall become effective unless, following the date on which the supplemental report containing such change was submitted to the Congress and before the date on which the Tariff Schedules of the United States is published pursuant to subsection (d), a period of 60 calendar days of continuous session of the Congress has elapsed.

(B) For purposes of subparagraph (A)—

- (i) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but
- (ii) in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

(3) No changes included by the Commission in any supplemental report submitted after the date of the enactment of this Act shall become effective unless included in the Tariff Schedules of the United States as published pursuant to subsection (d).

(d) At the earliest practicable date before the date of the proclamation of the President provided for by section 102, the President shall cause the Tariff Schedules of the United States to be published.

SEC. 102. At the earliest practicable date, the President shall take such action as he deems necessary to bring the United States schedules annexed to foreign trade agreements into conformity with the Tariff

Presidential proclamation.

Schedules of the United States and, after such action is completed, the President shall proclaim—

(1) the rates of duty in rate column numbered 1 of schedules 1 to 7, inclusive, and the other provisions of the Tariff Schedules of the United States, which are required or appropriate to carry out the foreign trade agreements to which the United States is a contracting party;

65 Stat. 74.

(2) the temporary modifications set forth in part 2 of the appendix to the tariff schedules (that is, those modifications proclaimed pursuant to the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1364), and of other trade-agreements legislation);

62 Stat. 1248.

(3) the additional import restrictions set forth in part 3 of the appendix to the tariff schedules (that is, those restrictions proclaimed pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624)); and

(4) the nations or areas and countries set forth in general head-note 3(d) of the Tariff Schedules of the United States (relating to the treatment of products of certain Communist-dominated nations or areas and countries discriminating against American commerce).

SEC. 103. The provisions of the Tariff Schedules of the United States as made effective on the date provided by section 501 shall have the status of statutory provisions duly enacted by the Congress, except for—

(1) the rates of duty in rate column numbered 1 of the tariff schedules proclaimed pursuant to paragraph (1) of section 102 which are lower than the rates of duty in rate column numbered 2 of such schedules for the corresponding items; and

(2) the provisions proclaimed by the President pursuant to paragraphs (2), (3), and (4) of section 102.

SEC. 104. During the period between the date of the enactment of this Act and the effective date of the Tariff Schedules of the United States—

(1) all public notices which refer to articles in terms of their tariff descriptions and which are issued in connection with investigations by the Commission or other agency, and all findings or recommendations made during such period by any such agency with respect thereto (including findings or recommendations in connection with investigations instituted before the date of the enactment of this Act), shall make reference to the prospectively applicable provisions of such schedules, as determined by the Commission, as well as to the existing provisions; and

(2) the Commission shall furnish to the President, upon request, any of its outstanding findings restated so as to conform to the Tariff Schedules of the United States to the fullest extent practicable consistent with the purposes of title I of the Customs Simplification Act of 1954.

68 Stat. 1136.  
19 USC 1332  
note.

Any such findings or recommendations with respect to the Tariff Schedules of the United States shall be treated as formal findings or recommendations of the agency involved.

## TITLE II—ADMINISTRATIVE AND SAVING PROVISIONS

SEC. 201. The Commission is authorized to issue, at appropriate intervals, and to keep up to date, a publication containing current tariff schedules and related matters, including such matter as may be needed for reporting statistics.

SEC. 202. (a) This Act shall not divest the courts of their jurisdiction over a protest filed under section 514 of the Tariff Act of 1930, as amended (19 U.S.C. 1514), or by an American manufacturer, producer, or wholesaler under section 516(b) of such Act (19 U.S.C. 1516(b)), against a liquidation covering articles entered, or withdrawn from warehouse, for consumption before the effective date of the Tariff Schedules of the United States.

46 Stat. 734.

52 Stat. 1084.

(b) If such a protest filed under section 516(b) is sustained in whole or in part by a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, the liquidations covering articles of the character covered by such court decision, which are entered, or withdrawn from warehouse, for consumption after the date of publication of such court decision, shall be suspended until final disposition is made in accordance with subsection (c).

(c) If such a protest filed under section 516(b) is not sustained in whole or in part by a final judicial decision, the entries made before the effective date of the Tariff Schedules of the United States shall be liquidated in accordance with such final decision, and all other entries shall be liquidated subject to such schedules. If such a protest is sustained in whole or in part by a final judicial decision, the entries made before the effective date of the Tariff Schedules of the United States shall be liquidated in accordance with such final decision, and the Commission shall report to the President such changes in the Tariff Schedules of the United States as the Commission decides are necessary to conform them to the fullest practicable extent to the substance of such final decision. The President shall, as soon as practicable, proclaim such changes. The changes shall be effective with respect to entries, the liquidation of which was suspended in accordance with subsection (b), covering articles entered, or withdrawn from warehouse, for consumption on or after the effective date of the Tariff Schedules of the United States.

Report to President.

SEC. 203. For purposes of applying section 350 of the Tariff Act of 1930, as amended, with respect to the Tariff Schedules of the United States—

48 Stat. 943.  
19 USC 1351.

(1) The rates of duty in rate column numbered 2 of schedules 1 to 7, inclusive, of the Tariff Schedules of the United States, shall be treated as the rates of duty existing on July 1, 1934.

(2) The rates of duty in rate column numbered 1 of schedules 1 to 7, inclusive, of the Tariff Schedules of the United States shall be treated as the rates of duty existing on July 1, 1958; except that with respect to any articles the rates for which have been permanently changed by statute or Presidential proclamation since July 1, 1958, the rates to be regarded as existing on that date shall be rates which the Commission specifically declares, in the supplemental reports made pursuant to section 101(c) of this Act, to be rates which, in its judgment, conform to the fullest extent practicable to the rates presently regarded as existing on July 1, 1958.

### TITLE III—AMENDMENTS AND REPEALS

SEC. 301. (a) Sections 301, 308, 489, 504, and 508 of the Tariff Act of 1930, as amended, are hereby repealed.

Repeals.  
68 Stat. 1139;  
46 Stat. 690, 725,  
732; 67 Stat. 518.  
46 Stat. 692.

(b) Section 312 of the Tariff Act of 1930, as amended (19 U.S.C. 1312), is amended to read as follows:

#### “SEC. 312. BONDED SMELTING AND REFINING WAREHOUSES.

“(a) Any plant engaged in smelting or refining, or both, of metal-bearing materials as defined in this section may, upon the giving of

satisfactory bond, be designated a bonded smelting or refining warehouse. Metal-bearing materials may be entered into a bonded smelting or refining warehouse without the payment of duties thereon and there smelted or refined, or both, together with metal-bearing materials of domestic or foreign origin. Upon arrival of imported metal-bearing materials at the warehouse they shall be sampled according to commercial methods and assayed, both under customs supervision. The bond shall be charged with a sum equal in amount to the duties which would be payable on such metal-bearing materials in their condition as imported if entered for consumption, and the bond charge shall be adjusted to reflect changes in the applicable rate of duty occurring while the imported materials are still covered by the bond.

“(b) The several charges against such bond may be canceled in whole or in part—

“(1) upon the exportation from the bonded warehouses which treated the metal-bearing materials, or from any other bonded smelting or refining warehouse, of a quantity of the same kind of metal contained in any product of smelting or refining of metal-bearing materials equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c), or

“(2) upon payment of duties on the dutiable quantity of metal contained in the imported metal-bearing materials, or

“(3) upon the transfer of the bond charges to another bonded smelting or refining warehouse by physical shipment of a quantity of the same kind of metal contained in any product of smelting or refining of metal-bearing materials equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c), or

“(4) upon the transfer of the bond charges to a bonded customs warehouse other than a bonded smelting or refining warehouse by physical shipment of a quantity of the same kind of metal contained in any product of smelting or refining equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c), and upon withdrawal from such other warehouse for exportation or domestic consumption the provisions of this section shall apply, or

“(5) upon the transfer to another bonded smelting or refining warehouse without physical shipment of metal of bond charges representing a quantity of dutiable metal contained in imported metal-bearing materials less wastage provided for in subsection (c) of the plant of initial treatment of such materials provided there is on hand at the warehouse to which the transfer is made sufficient like metal in any form to satisfy the transferred bond charges.

“(c) For purposes of paragraphs (1), (3), (4), and (5) of subsection (b), due allowances shall be made for wastage of metals other than copper, lead, and zinc, as ascertained from time to time by the Secretary of the Treasury.

“(d) Upon the exportation of a product of smelting or refining other than refined metal the bond shall be credited with a quantity of metal equivalent to the quantity of metal contained in the product exported less the proportionate part of the deductions allowed for losses in determination of the bond charge being cancelled that would not ordinarily be sustained in production of the specific product exported as ascertained from time to time by the Secretary of the Treasury.

“(e) Two or more smelting or refining warehouses may be included under one general bond and the quantities of each kind of metal sub-

ject to duty on hand at all of such warehouses may be aggregated to satisfy the bond obligation.

“(f) For purposes of this section—

“(1) the term ‘metal-bearing materials’ means metal-bearing ores and other metal-bearing materials provided for in schedule 6, part 1, of the Tariff Schedules of the United States, ‘metal waste and scrap’ and ‘unwrought metal’ to be smelted or refined provided for in schedule 6, part 2, of such schedules, and metal compounds to be processed for the recovery of their metal content;

Definitions.

“(2) the term ‘smelting or refining’ embraces only pyrometallurgical, hydrometallurgical, electrometallurgical, chemical, or other processes—

“(A) for the treatment of metal-bearing materials to reduce the metal content thereof to a metallic state in the course of recovering it in forms which if imported would be classifiable in part 2 of schedule 6 as ‘unwrought metal’, or in the form of oxides or other compounds which are obtained directly from the treatment of materials provided for in part 1 of schedule 6, and

“(B) for the treatment of unwrought metal or metal waste and scrap to remove impurities or undesired components; and

“(3) the term ‘product of smelting or refining’ means metals or metal-bearing materials resulting directly from smelting or refining processes, but does not include metal-bearing ores as defined in part 1 of schedule 6.

“(g) Labor performed and services rendered pursuant to this section shall be under the supervision of an officer of the customs, to be appointed by the Secretary of the Treasury and at the expense of the manufacturer. The Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this section.”

Rules and regulations.

SEC. 302. (a) The first sentence of section 4501(a) of the Internal Revenue Code of 1954 is amended to read as follows: “There is hereby imposed upon manufactured sugar manufactured in the United States, a tax, to be paid by the manufacturer at the rate of 0.53 cent per pound of the total sugars therein.”

68A Stat. 533.  
26 USC 4501.

(b) Section 4501(b) of such Code is hereby repealed. Subsection (c) of section 4501 of such Code is redesignated as subsection (b), and such subsection is amended—

68A Stat. 533;  
75 Stat. 40.  
26 USC 4501.

(1) by striking out “manufacture, use, or importation” in the first sentence thereof and inserting in lieu thereof “manufacture or use”; and

(2) by striking out “subsection (a) or (b)” in the second sentence thereof and inserting in lieu thereof “subsection (a)”.

(c) Section 6418(b) of such Code is amended by striking out “; except that no such payment shall be allowed with respect to any manufactured sugar, or article, upon which, through substitution or otherwise, a drawback of any tax paid under section 4501(b) has been or is to be claimed under any provisions of law made applicable by section 4504”.

68A Stat. 801.  
26 USC 6418.

(d) Sections 4504, 4511, 4512, 4513, 4514, 4521, 4531, 4532, 4541, 4542, 4551, 4552, 4553, 4561, 4562, 4571, 4572, 4581, 4582, 4601, 4602, 4603, 6412(d) and 7511 of such Code are hereby repealed and the tables of sections for such Code are correspondingly amended.

Repeals.  
26 USC 4504 et seq.

SEC. 303. (a) Section 1 of the Act of March 2, 1897 (29 Stat. 604), as amended (21 U.S.C. 41), is hereby further amended by changing the

period at the end of the first sentence to a comma, by deleting the second sentence, and by adding the following after such comma: "except as provided in the Tariff Schedules of the United States."

63 Stat. 401.

(b) Section 602(d) (6) of the Act of June 30, 1949, chapter 288, title VI, as renumbered by Sixty-fourth Statutes at Large, pages 578, 583 (40 U.S.C. 474), is hereby amended by changing the comma following "Strategic and Critical Materials Stock Piling Act" to a semicolon and deleting the remainder thereof.

Repeals.

(c) The following provisions are hereby repealed: Act of January 9, 1883 (ch. 17, 22 Stat. 402; 19 U.S.C. 193); Act of May 18, 1896 (ch. 195, 29 Stat. 122; 19 U.S.C. 194); Act of March 3, 1899 (ch. 454, 30 Stat. 1372; 19 U.S.C. 195); section 1, Act of August 27, 1949 (ch. 517, 63 Stat. 666; 19 U.S.C. 196a); section 11, Act of June 16, 1951 (ch. 141, 65 Stat. 75; 19 U.S.C. 1367); section 2951, Revised Statutes (19 U.S.C. 420); section 206(b), Act of May 28, 1956 (ch. 327, 70 Stat. 200; 7 U.S.C. 1856); Act of August 10, 1956 (ch. 1041, 70A Stat. 137; 10 U.S.C. 2383); and section 161(1), Act of August 30, 1954 (ch. 1073, 68 Stat. 950; 42 U.S.C. 2201(1)).

#### TITLE IV—TARIFF TREATMENT OF CUBAN PRODUCTS

SEC. 401. (a) Cuba is hereby declared to be a nation described in section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362, relating to imports from nations and areas dominated or controlled by the foreign government or foreign organization controlling the world Communist movement). Articles which are—

65 Stat. 73.

(1) the growth, produce, or manufacture of Cuba, and

(2) imported on or after the date of the enactment of this Act, shall be denied the benefits of concessions contained in any trade agreement entered into under the authority of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351).

48 Stat. 943.

(b) Nothing in subsection (a) shall affect the rates of duty or the customs or excise treatment of articles the growth, produce, or manufacture of any country other than Cuba.

(c) Subsection (a) shall not apply on or after the date on which the President proclaims that he has determined that Cuba is no longer dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

33 Stat. 3.  
46 Stat. 695.

(d) The Act of December 17, 1903 (19 U.S.C. 124, 125), and section 316 of the Tariff Act of 1930, as amended (19 U.S.C. 1316), both relating to the implementation of the treaty with Cuba concluded on December 11, 1902, shall not apply during the period during which subsection (a) applies.

33 Stat. 2136.

#### TITLE V—EFFECTIVE DATE

SEC. 501. (a) Except as provided in subsection (b), the repeal of titles I and II of the Tariff Act of 1930 and the substitution of a new title I therefor, as provided for in title I of this Act, and the provisions of title III of this Act shall become effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after the 10th day following the date of the proclamation of the President provided for in section 102.

Ante, pp. 72, 73.

(b) The amendment made by section 302(a) shall become effective on the 10th day following the date of the proclamation of the President provided for in section 102.

Approved May 24, 1962.

## Public Law 87-457

## AN ACT

May 28, 1962

[S. 383]

To provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in order to acquire for Grand Canyon National Park certain private land strategically located inside the park on the south rim of Grand Canyon and to provide for the removal of surface structures thereon and the termination of mining activities in connection with such land which intrudes upon the rim of Grand Canyon and adversely affects the public enjoyment of the park, the Secretary of the Interior is authorized to accept on the terms hereinafter stated the conveyance of title to the Orphan Claim, a mining claim of approximately 20.64 acres patented to D. L. Hogan and C. J. Babbitt on March 23, 1906, patent numbered 43506: *Provided*, Said authority is conditioned upon the grantor releasing any extralateral rights it may have to follow under adjoining park lands any mineral discovery made on the aforesaid Orphan Claim. The grantor shall, within six months following the passage of this Act, execute to the United States deeds of conveyance of good and sufficient fee simple title to the said claim, subject to the following reservations and conditions:

Grand Canyon  
National Park.  
Mining claim, ac-  
quisition.

## Conditions.

(a) All mineral rights on the said claim shall be reserved to the said grantor for a period of twenty-five years, but the exercise of said rights shall be limited to underground mining.

(b) Until the close of 1966 the grantor shall be permitted to maintain and operate the Grand Canyon Inn and related cottages and facilities and may reserve for said period the customary rights to use so much of the surface area of the claim as is necessary for mining operations.

(c) After 1966 and until the expiration of the mineral reservation the grantor shall have reserved to it the surface rights to only the following described tract of approximately three acres which is necessary to operate the said mine:

Beginning at an iron stake known as corner numbered 2 of the Orphan Claim, mineral survey numbered 2004 in section 14, township 31 north, range 2 east, Gila and Salt River base and meridian; thence north 41 degrees 03 minutes east 500 feet; thence north 60 degrees 15 minutes west 300 feet; thence south 41 degrees 03 minutes west 500 feet to the south end center of said claim; thence south 60 degrees 15 minutes east 300 feet to place of beginning, including all buildings and improvements as per survey of April 21, 1905.

## Description.

(d) Any structures erected on the reserved portion of surface rights shall be no more than two stories in height and shall be so designed as to be appropriate to the region.

## Structures.

(e) The grantor shall be permitted to maintain and operate the present aerial tramway for not to exceed two years from the date of the conveyance to the United States; and throughout the allowable period of its mining to maintain and operate the sixty-thousand-gallon water tank; the access road across the claim to the mine area, the portal area of the present adit, and such ventilators from the mine as may be required by mine safety laws.

## Rights of grantor.

(f) The grantor shall be permitted to haul ore from its mining operations to such mills as directed by the Atomic Energy Commission or otherwise, over roads of the Grand Canyon National Park upon payment of use charges therefor, as agreed between the parties but reasonably calculated to provide such additional cost of maintenance of said roads, if any, as may be occasioned by such operations.



Rights of grant-  
or.

SEC. 2. (a) In exchange for the foregoing conveyance to the United States of the said Orphan Claim and the release by the owner thereof of any claims to pursue any extralateral rights to the ore body under park land, the grantor shall have the right for a period of twenty-five years to mine and remove on a royalty basis all uranium ore and such other metalliferous ore of commercial value as can be recovered through the shaft existing on the Orphan Claim and additional underground workings beyond the northeast boundary of said claim, along the dip of any ore body apexing within the said claim: *Provided*, Said mining and removal rights shall be limited to underground mining, which shall be conducted so as not to disturb in any manner the surface of park land or the canyon walls, except for ventilation as required in accordance with mine safety laws: *Provided further*, That nothing in this Act shall be construed to create any obligation on the Atomic Energy Commission for the purchase of uranium derived from ores removed from beyond the vertical boundaries of the Orphan Claim: *Provided further*, That neither the enactment of this Act nor anything contained in it shall be construed to relieve any party from any liability which would or might otherwise exist for the removal of ore from beyond the boundaries of said Orphan Claim, if any such removal occurred prior to the enactment of this Act.

Royalty pay-  
ments to U. S.

(b) The United States shall be paid a royalty for ore extracted from under Government lands pursuant to this section, in accordance with the following Uranium Percentage Royalty Schedule:

| Mine value per dry ton | Royalty percentage of<br>mine value per dry ton |
|------------------------|---|
| \$0.01 to \$10.00      | 5 per centum                                    |
| \$10.01 to \$20.00     | 5½ per centum                                   |
| \$20.01 to \$30.00     | 6 per centum                                    |
| \$30.01 to \$40.00     | 6½ per centum                                   |
| \$40.01 to \$50.00     | 7 per centum                                    |
| \$50.01 to \$60.00     | 7½ per centum                                   |
| \$60.01 to \$70.00     | 8 per centum                                    |
| \$70.01 to \$80.00     | 8½ per centum                                   |
| \$80.01 to \$90.00     | 9 per centum                                    |
| \$90.01 to \$100.00    | 9½ per centum                                   |
| \$100.01 or more       | 10 per centum                                   |

"Mine value per  
dry ton."

"Mine value per dry ton" is hereby defined as the dollar value per dry ton of crude ores at the mine as paid for by the Atomic Energy Commission or other Government agency before allowance for transportation and development; however, if the Government at any time hereafter does not establish and pay for said ores on a fixed or scheduled dollar value per dry ton of crude ores at the mine, or said ores contain salable minerals, some or all, or which are disposed of to a custom treatment plant or smelter for treatment and sale, then mine value per dry ton shall be the gross value per dry ton of said crude ore as paid for by the Atomic Energy Commission or other Government authorized agency mill or other buyer, less any allowances or reimbursements for the following specific items: (1) transportation of ores, and (2) treatment or beneficiation of ores; which specific items shall in such event be deducted from the gross sales price received from the metal content of said ores by the seller before said percentage royalty is calculated and paid.

Whenever mineral or other products are recovered which are not included in determining mine value per dry ton as defined herein, there shall be paid for such minerals or other products a royalty of 5 per centum of the gross value of such products at the mine site.

*Provided*, That on all ore having a mine value per dry ton of less than \$50, the royalty to be paid hereunder shall not exceed 15 per centum of the grantor's net profit on such ore which shall be determined by the amount remaining from the total sales price of such ore after the payment of reasonable operating expenses, taxes, and cost depletion.

(c) When paid, the royalty shall be deposited to miscellaneous receipts of the Treasury in accordance with the provisions of title 31, United States Code, section 484.

Approved May 28, 1962.

## Public Law 87-458

### AN ACT

To authorize the exchange of certain lands at Antietam National Battlefield site.

May 31, 1962  
[H. R. 10098]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to effect changes in land ownership made necessary by the widening and relocation of Maryland State Route 34 at Antietam National Battlefield site, the Secretary of the Interior may accept for the United States title to the following described lands, or interests in lands:

Antietam Na-  
tional Battlefield  
site.  
Exchange of cer-  
tain lands.

Beginning at the intersection of the northerly right-of-way line of Maryland Route Numbered 34 leading from Sharpsburg to Boonsboro with the northerly right-of-way line of the relocation of Richardson Avenue said point of intersection being 34.00 feet measured radially from station 17+00 of the base line of right-of-way as said base line of right-of-way is delineated on State Roads Commission's plat numbered 16968,

Thence binding along the aforementioned northerly right-of-way line of Richardson Avenue the two following course and distances, namely: north 38 degrees 37 minutes 30 seconds east, 71.78 feet and north 69 degrees 10 minutes 55 seconds east, 333.04 feet to intersect the westerly right-of-way line of Richardson Avenue,

Thence binding thereon south 12 degrees 31 minutes 20 seconds west, 31.12 feet to intersect the base line of right-of-way of the relocation of Richardson Avenue at station 3+33.73,

Thence continuing along the aforementioned westerly right-of-way line of Richardson Avenue south 12 degrees 31 minutes 20 seconds west, 116.03 feet to intersect the aforementioned northerly right-of-way line of Maryland Route Numbered 34,

Thence binding thereon the two following courses and distances, namely: south 84 degrees 45 minutes 55 seconds west, 213.83 feet, and by a curve to the left having a radius of 5,763.58 feet for a distance of 111.84 feet, said curve being subtended by a chord south 84 degrees 12 minutes 40 seconds west, 111.83 feet to the place of beginning.

Said parcel containing 0.66 acre, more or less, and being a part or parts of that tract of land which was conveyed from Henry Piper to Samuel D. Piper by deed dated March 7, 1890, and recorded among land records of Washington County in liber numbered 94, folio 449.

SEC. 2. In exchange for the conveyance of the lands described in section 1 of this Act, the Secretary of the Interior may convey the following described lands: An approximate 0.05-acre parcel of United States land comprising the southerly portion of Richardson Avenue located in Antietam National Battlefield site, extending from the northerly right-of-way line of the widened and relocated Maryland State Route 34 southwestward about 65 feet into the said Maryland State Route 34 right-of-way at station 20+40.

Approved May 31, 1962.

## Public Law 87-459

## AN ACT

May 31, 1962  
[H. R. 9752]

To authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes.

Boy Scouts of  
America.  
World Jamboree.  
Equipment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the Secretary of Defense is hereby authorized, under such regulations as he may prescribe, to lend to the National Council, Boy Scouts of America, for the use and accommodation of the approximately five hundred Scouts, Scouters, and officials who are to attend the World Jamboree, Boy Scouts, to be held in Greece in July and August 1963, such tents, cots, blankets, commissary equipment, flags, refrigerators, and other equipment and services as may be necessary or useful to the extent that items are in stock and available and their issue will not jeopardize the national defense program.

(b) Such equipment is authorized to be delivered at such time prior to the holding of such jamboree, and to be returned at such time after the close of such jamboree, as may be agreed upon by the Secretary of Defense and the National Council, Boy Scouts of America. No expense shall be incurred by the United States Government for the delivery, return, rehabilitation, or replacement of such equipment.

Bond.

(c) The Secretary of Defense, before delivering such property, shall take from the National Council, Boy Scouts of America, good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

Transportation.

SEC. 2. (a) The Secretary of Defense is hereby authorized, under such regulations as he may prescribe, to provide, without expense to the United States Government, transportation from the United States or military commands overseas, and return, on vessels of the Military Sea Transportation Service for (1) those Boy Scouts, Scouters, and officials certified by the National Council, Boy Scouts of America, as representing the National Council, Boy Scouts of America, at the jamboree referred to in the first section of this Act, and (2) the equipment and property of such Boy Scouts, Scouters, and officials and the property loaned to the National Council, Boy Scouts of America, by the Secretary of Defense pursuant to this Act to the extent that such transportation will not interfere with the requirements of military operations.

Bond.

(b) Before furnishing any transportation under this section, the Secretary of Defense shall take from the National Council, Boy Scouts of America, a good and sufficient bond for the reimbursement to the United States by the National Council, Boy Scouts of America, of the actual costs of transportation furnished under this section.

SEC. 3. Amounts paid to the United States to reimburse it for expenses incurred under the first section and for the actual cost of transportation furnished under section 2 shall be credited to the current applicable appropriations or funds to which such expenses and costs were charged and shall be available for the same purposes as such appropriations or funds.

Passports.

SEC. 4. Under regulations prescribed by the Secretary of State, no fee shall be collected for the application for a passport by or the issuance of a passport to, any Boy Scout, Scouter, or official who is certified by the National Council, Boy Scouts of America, as representing the National Council, Boy Scouts of America, at the jamboree referred to in the first section of this Act.

Approved May 31, 1962.

## Public Law 87-460

## AN ACT

May 31, 1962  
[H. R. 8916]

To authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there are hereby authorized to be appropriated from time to time such sums, not exceeding \$2,500,000 in the aggregate, as may be necessary to enable the Surgeon General of the Public Health Service (hereafter in this Act referred to as the Surgeon General) to make a grant or grants in order to assist the George Washington University in defraying the cost of planning and carrying out a project of construction to expand and improve the facilities of George Washington University Hospital in the District of Columbia. Sums appropriated pursuant to this section shall remain available for such purpose until expended.

D. C.  
George Washing-  
ton University  
Hospital.  
Construction  
project, grants.

SEC. 2. Grants made pursuant to this Act shall not exceed, in the aggregate, an amount found by the Surgeon General to be equal to 50 per centum of the cost of construction of the project covered by an application of the university submitted to the Surgeon General and approved by him pursuant to section 3.

SEC. 3. (a) The Surgeon General is authorized to approve the application of the university if—

Conditions.

(1) the application is in such form as may be prescribed by him and contains or is supported by such information as he deems necessary in order to carry out his functions under this Act;

(2) he finds that—

(A) the program of construction covered by the application provides for the facilities and services necessary (i) to provide adequate care for the patients expected to be served by the hospital and (ii) to constitute the hospital an adequate teaching hospital for the university's school of medicine;

(B) such program does not appear incompatible with any comprehensive plan for health facilities for the metropolitan area of Washington that has been or is likely to be developed by a body found by the Surgeon General to be a responsible areawide planning group; and

(C) the plans and specifications for the project meet the minimum standards of construction and equipment prescribed for hospitals by regulation pursuant to section 622(e) of the Public Health Service Act, as amended (42 U.S.C. 291e); and

(3) he finds that the application contains or is supported by satisfactory assurances—

(A) that adequate funds will be available for payment of the non-Federal share of the cost of construction of the project, and that adequate financial support for the maintenance and operation of the project when completed will be available;

(B) that the construction contract for the project will be awarded in accordance with such requirements, including requirements as to competitive bidding, as the Surgeon General may prescribe, and will contain such provisions for performance and other bonds and undertakings to be furnished by the contractor as the Surgeon General deems necessary;

60 Stat. 1043.

(C) that the construction contract will provide that the Surgeon General and his representatives will at all times have access to the work in preparation or progress and that the contractor will provide proper facilities for such access and for inspection of the work;

(D) that the university shall keep such records as the Surgeon General shall prescribe, including records which fully disclose the amount and the disposition by it of the proceeds of assistance received under this Act, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

The Surgeon General and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the university that are pertinent to assistance received under this Act.

(E) that the university will provide and maintain competent and adequate architectural or engineering supervision and inspection of the project to insure that the completed work conforms with the approved plans and specifications;

(F) that the labor standards set forth in section 5 will be observed; and

(G) such other assurances as the Surgeon General finds necessary in order to carry out the purposes of this Act.

(b) Amendment of an approved application shall be subject to approval in the same manner as an original application.

(c) After approval of the application, the Surgeon General shall pay the Federal share of the cost of construction (as determined under section 2) at such time or times, in advance or by way of reimbursement, and in such installments and subject to such reasonable conditions (with respect to performance of work, purchase of materials, and other matters), as he may deem appropriate in order to safeguard the Federal interest and assure completion of the work in accordance with the approved plans and specifications.

Funds.

(d) Funds paid under this section for construction shall be used solely for carrying out the project as approved by the Surgeon General, including any amendment approved by him.

“Construction”;  
cost of construction.”

60 Stat. 1047;  
68 Stat. 465.

SEC. 4. (a) For the purposes of this Act the terms “construction” and “cost of construction” shall have the meanings assigned to such terms in section 631 of the Public Health Service Act, as amended (42 U.S.C. 291i), and regulations issued pursuant thereto, and shall include architect’s and consultant’s fees incurred in the planning of the project prior to enactment of this Act.

Delegation of  
authority.

(b) For the purpose of administering this Act, the Surgeon General may delegate to any officer or employee of the Department of Health, Education, and Welfare any of his functions or powers under this Act, except the issuance of regulations.

Laborers and mechanics,  
wage rates.

49 Stat. 1011.

SEC. 5. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5), and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of eight

hours in any workday or forty hours in the workweek, as the case may be. The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

SEC. 6. (a) There are hereby authorized to be appropriated, for each fiscal year, such sums as may be necessary for administrative expenses incurred in carrying out this Act.

(b) Nothing in this Act shall be construed as limiting or superseding any authority of the Surgeon General or the Secretary of Health, Education, and Welfare under title VI of the Public Health Service Act or any other law.

Approved May 31, 1962.

64 Stat. 1267.

63 Stat. 108.

Appropriation.

60 Stat. 1041;  
72 Stat. 489.  
42 USC 291-291z.

## Public Law 87-461

### AN ACT

To amend section 105 of title 28, United States Code, so as to transfer certain counties from the Western Division of the Western District of Missouri to the Saint Joseph Division of such district, and for other purposes.

May 31, 1962  
[S. 2270]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) paragraph (1) of section 105(b) of title 28, United States Code, is amended to read as follows:

"(1) The Western Division comprises the counties of Bates, Carroll, Cass, Clay, Henry, Jackson, Johnson, LaFayette, Ray, Saint Clair, and Saline.

"Court for the Western Division shall be held at Kansas City."

(b) Paragraph (3) of section 105(b) of such title is amended to read as follows:

"(3) The Saint Joseph Division comprises the counties of Andrew, Atchison, Buchanan, Caldwell, Clinton, Daviess, De Kalb, Gentry, Grundy, Harrison, Holt, Livingston, Mercer, Nodaway, Platte, Putnam, Sullivan, and Worth.

"Court for the Saint Joseph Division shall be held at Saint Joseph."

Approved May 31, 1962.

Courts.  
Western Dis-  
trict of Missouri,  
transfer of coun-  
ties.  
62 Stat. 884.

## Public Law 87-462

### JOINT RESOLUTION

Authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the United States Air Force Academy.

May 31, 1962  
[S. J. Res. 129]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, within one year after the date of enactment of this joint resolution, the Secretary of the Air Force is authorized to admit Prabaddh Riddhagni, a citizen and subject of the Kingdom of Thailand, to the United States Air Force Academy for the purpose of receiving instruction at such Academy if the Secretary find the said Prabaddh Riddhagni to be mentally and physically qualified; but the United States shall not be subject to any expense on account of such instruction.

Thailand, citi-  
zen.  
Attendance at  
U. S. Air Force  
Academy.

Conditions.

SEC. 2. Except as may be otherwise determined by the Secretary of the Air Force the said Prabaddh Riddhagni shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Air Force Academy appointed from the United States; but the said Prabaddh Riddhagni shall not be entitled to appointment to any office or position in the United States Air Force by reason of his graduation from the United States Air Force Academy.

70A Stat. 565.

SEC. 3. Nothing in this joint resolution shall be construed to subject the said Prabaddh Riddhagni to the provisions of section 9348 of title 10 of the United States Code.

Approved May 31, 1962.

## Public Law 87-463

## JOINT RESOLUTION

May 31, 1962  
[S. J. Res. 175]

Authorizing the Secretary of the Navy to receive for instruction at the United States Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

Belgium, citizens.  
Attendance at  
U. S. Naval Academy.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Navy is authorized to permit, within eighteen months after date of enactment of this joint resolution, two persons, citizens and subjects of the Kingdom of Belgium, to be admitted for instruction at the United States Naval Academy at Annapolis, Maryland; but the United States shall not be subject to any expense on account of such instruction:

Conditions.

SEC. 2. Except as may be otherwise determined by the Secretary of the Navy such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as midshipmen at the United States Naval Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the United States Naval Academy.

70A Stat. 432.

SEC. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 6959 of title 10 of the United States Code.

Approved May 31, 1962.

## Public Law 87-464

## JOINT RESOLUTION

May 31, 1962  
[H. J. Res. 576]

To designate calendar year 1962 as Cancer Progress Year.

Whereas in 1937 the National Cancer Institute Act was enacted by Congress and the first nationwide educational campaign was launched by the American Cancer Society; and  
Whereas there has been developed in the United States the most massive research attack against cancer ever mounted against a single disease; and

Whereas the attack on cancer has been vigorously waged for twenty-five years by the National Cancer Institute and the American Cancer Society; and

Whereas great strides have been made in cancer control, public education, and patient service; and

Whereas about one hundred and sixty thousand persons had been cured of cancer in 1937 and today more than one million one hundred thousand persons have been cured of the disease; and

Whereas the American Cancer Society and the National Cancer Institute have demonstrated the need for complementary efforts by the people on a voluntary basis and by the Federal and local governments in the attack on this dread disease; and

Whereas the American Cancer Society and the National Cancer Institute are joining in observing Cancer Progress Year throughout 1962; and

Whereas the purposes of Cancer Progress Year are to report to the public where science stands in cancer research, to persuade the public to act for its own protection, to improve the care of the cancer patient, and to accelerate programs to conquer cancer: Therefore be it

*Resolved*, That the Congress of the United States designate calendar year 1962 as Cancer Progress Year; and be it further

Cancer Progress  
Year, 1962.  
Proclamation au-  
thorization.

*Resolved*, That the President of the United States be authorized and requested to issue proclamations inviting the participation of the people of the United States, government and private agencies, and all media of communication in the observation of Cancer Progress Year.

Approved May 31, 1962.

## Public Law 87-465

### AN ACT

May 31, 1962  
[S. 2806]

To amend the Act entitled "An Act to provide better facilities for the enforcement of the customs and immigration laws", to increase the amounts authorized to be expended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act of June 26, 1930, as amended (19 U.S.C. 68), is further amended by amending the proviso to read as follows: "*Provided*, That the total amount which may be so expended for any one project, including the site, shall not exceed \$100,000, and that where the project is for the joint use of the Customs Service and the Immigration and Naturalization Service, the combined cost of the project, including the site, shall be charged to the two appropriations concerned."

Customs and im-  
migration.  
Facilities funds,  
increase.  
54 Stat. 1091.

Approved May 31, 1962.

## Public Law 87-466

### AN ACT

May 31, 1962  
[H. R. 7477]

To repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 409 of the Public Buildings Act of 1949 (40 U.S.C. 355) is hereby repealed.

63 Stat. 200.

Approved May 31, 1962.



## Public Law 87-467

May 31, 1962  
[H. R. 8941]

## AN ACT

To authorize acceptance of the gift made to the United States by the will of Esther Cattell Schmitt.

Gift to U. S.  
Acceptance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Attorney General is hereby authorized to accept on behalf of the United States of America the property given to it by the will of the late Esther Cattell Schmitt.

SEC. 2. The Attorney General is hereby authorized to appear in or to initiate on behalf of the United States any appropriate legal or equitable proceeding, in the Orphans' Court of Philadelphia County, or any other appropriate tribunal in the Commonwealth of Pennsylvania or elsewhere, in connection with any matter relating to or arising under the said will, and to take such steps therein or in connection therewith as in his discretion may be desirable and appropriate in the interest of the United States. The duties imposed upon officers and agents of the United States by the succeeding provisions of this Act shall be performed in conformity with the orders of any court of competent jurisdiction entered in any such proceeding to which the United States shall be a party.

SEC. 3. Any moneys or securities which the United States shall receive under the said will, and the proceeds of the sale of any real property received by the United States thereunder, shall be receipted for by the Secretary of the Treasury, who is hereby authorized to sell, exchange, retain, invest, or reinvest such moneys or securities in such investments as he may from time to time determine.

SEC. 4. The income received by the United States from the property passing to it under the said will, or from the proceeds of such property, shall be paid by the Secretary of the Treasury to the beneficiaries named in paragraphs numbered 1, 2, 3, and 4 of said will in accordance with the terms thereof.

National Gallery  
of Art, Board of  
Trustees.

SEC. 5. The Board of Trustees of the National Gallery of Art shall, at the request of the Attorney General, nominate the beneficiary described in paragraph numbered 4 of the will, as translated, as "a young American painter, the most deserving."

Approved May 31, 1962.

## Public Law 87-468

May 31, 1962  
[H. R. 4380]

## AN ACT

To quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of February 10, 1897 (29 Stat. 517), is hereby amended by extending, as of February 10, 1897, its provisions to the private land claim of Robert Sibley, numbered 320 in the list of actual settlers submitted by Commissioners Cosby and Skipwith and reported on page 440 of volume 3 of the American State Papers, Gales and Seaton edition, embracing section 43, township 5 south, range 3 east, Saint Helena meridian, Louisiana, and containing six hundred forty-three and thirty-four one-hundredths acres.

Approved May 31, 1962.

## Public Law 87-469

## AN ACT

To authorize the Secretary of the Interior to sell certain public lands in Idaho.

May 31, 1962  
[H. R. 9097]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior, in his discretion, is hereby authorized to sell at not less than their fair market value, as determined by the Secretary by appraisal, taking into consideration any reservations specified by the Secretary pursuant to sections 3 and 4 of this Act, any of those lands in the State of Idaho, in the vicinity of the Snake River or any of its tributaries which have been, or may be, found upon survey to be omitted public lands of the United States, which lands are not within the boundaries of a national forest or other Federal reservation and are not lawfully appropriated by a qualified settler or entryman claiming under the public land laws, or are not used and occupied by Indians claiming by reason of aboriginal rights or are not used and occupied by Indians who are eligible for an allotment under the laws pertaining to allotments on the public domain.

Idaho.  
Sale of public  
lands.

SEC. 2. Any citizen of the United States who, in good faith under color of title or claiming as a riparian owner has, prior to March 30, 1961, placed valuable improvements upon, reduced to cultivation, or occupied any of the lands subject to the operation of this Act, or whose ancestors or predecessors in title have taken such action, shall, if such lands be offered for sale by the Secretary, have a preference right to purchase such lands at their fair market value (which shall not include any increased value resulting from the development or improvement thereof for agricultural or other purposes by the applicant or his predecessors in interest) under such rules and regulations as the Secretary may prescribe for the operation of this Act.

Preference  
rights.

SEC. 3. All patents issued under the provisions of this Act shall be subject to and contain a reservation to the United States of all the coal, oil, gas, oil shale, phosphate, potash, sodium, native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried), together with the right to prospect for, mine, and remove the same.

Patents.  
Mineral reserva-  
tion.

SEC. 4. The Secretary, in his discretion, may reserve in patents issued under this Act the right of access to the public through the lands and such other reservations as he may deem appropriate and consonant with the public interest in preserving public recreational values in the lands.

Right of access.

SEC. 5. The Secretary is hereby authorized to prescribe all necessary rules and regulations for administering the provisions of this Act, including, without limitation, the determination of conflicting claims arising hereunder.

Rules and regu-  
lations.

Approved May 31, 1962.

## Public Law 87-470

## AN ACT

To amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes.

May 31, 1962  
[H. R. 7752]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (g) of section 11 of the District of Columbia Alcoholic Beverage Control Act as amended (D.C. Code, sec. 25-111(g)), is amended—

D. C. Alcoholic  
Beverage Control  
Act, amendment.  
48 Stat. 997.

(1) by striking “restaurants and” in the fourth sentence of such subsection; and

(2) by inserting immediately after such fourth sentence the following new sentence: “In the case of restaurants, said spirits, beer, and wine shall be sold or served only (1) to persons seated at public tables or at bona fide lunch counters, and (2) to persons in an enclosed or screened-off area in any such restaurant set aside for the accommodation of persons waiting to be seated at public tables.”

Effective date.

SEC. 2. Clause (2) of the fifth sentence of such subsection (g) shall take effect on the thirtieth day after the date of enactment.

Approved May 31, 1962.

## Public Law 87-471

May 31, 1962  
[H. R. 9805]

### AN ACT

To change the name of Whitman National Monument to Whitman Mission National Historic Site.

Whitman Mission  
National Historic  
Site.  
Designation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That effective January 1, 1963, the Whitman National Monument, established pursuant to the Act of June 29, 1936 (49 Stat. 2028; 16 U.S.C. 433k-433m), shall be known as the Whitman Mission National Historic Site.

Approved May 31, 1962.

## Public Law 87-472

May 31, 1962  
[H. R. 9647]

### AN ACT

To authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes.

Idaho.  
Amendatory con-  
tract, Burley Irr-  
igation District.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to execute on behalf of the United States the amendatory contract with the Burley Irrigation District negotiated pursuant to section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C., 1958 edition, sec. 485f) and approved by the district's electors on April 18, 1961.

Minidoka Irriga-  
tion District.

SEC. 2. The Secretary is further authorized to negotiate with and enter into an amendatory contract with the Minidoka Irrigation District on a similar basis as set out in section 1, to coordinate his operation of the power facilities on the Minidoka project with the power facilities of other reclamation project installations in the Snake River Basin, and to account for the return of the reimbursable allocations of these installations in accordance with the Federal reclamation laws.

Repeals.

SEC. 3. The provisos appearing in the portion of the “Interior Department Appropriation Act, 1940” (Act of May 10, 1939) (53 Stat. 685 at page 716), relating to the Minidoka project and the portion of the Act of May 10, 1926 (44 Stat. 453 at page 480), relating to the Minidoka project are hereby repealed.

43 USC 485k.

SEC. 4. This Act is declared to be a part of the Federal reclamation laws as those laws are defined in the Reclamation Project Act of 1939, *supra*.

Approved May 31, 1962.

## Public Law 87-473

## AN ACT

May 31, 1962  
[H. R. 8030]

To amend the Act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to provide for the division of Dakota into two States and to enable the people of North Dakota, South Dakota, Montana, and Washington to form constitutions and State governments and to be admitted into the Union on an equal footing with the original States and to make donations of public lands to such States", approved February 22, 1889 (25 Stat. 676, as amended), is amended by inserting before the period at the end of the first sentence in the fourth paragraph of section 11 a comma and the following: "except that proceeds from the sale and other permanent disposition of the two hundred thousand acres granted to the State of Washington for State charitable, educational, penal, and reformatory institutions may be used by such State for the construction of any such institution".

Washington.  
Enabling Act,  
amendment.

47 Stat. 150.

Approved May 31, 1962.

## Public Law 87-474

## AN ACT

May 31, 1962  
[H. R. 9753]

To amend sections 3(7) and 5(b) of the Internal Security Act of 1950, relating to employment of members of Communist organizations in certain defense facilities.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the second sentence of paragraph (7) of section 3 of the Internal Security Act of 1950 (50 U.S.C. 782(7)) is amended to read as follows: "The term 'defense facility' means any facility designated by the Secretary of Defense pursuant to section 5(b) of this title and which is in compliance with the provisions of such subsection respecting the posting of notice of such designation."

Internal Security  
Act of 1950,  
amendment.  
64 Stat. 989.

"Defense facility."

(b) Subsection (b) of section 5 of such Act (50 U.S.C. 784(b)) is amended to read as follows:

64 Stat. 992.

"(b) The Secretary of Defense is authorized and directed to designate facilities, as defined in paragraph (7) of section 3 of this title, with respect to the operation of which he finds and determines that the security of the United States requires the application of the provisions of subsection (a) of this section. The Secretary shall promptly notify the management of any facility so designated, whereupon such management shall immediately post conspicuously notice of such designation in such form and in such place or places as to give notice thereof to all employees of, and to all applicants for employment in, such facility. Such posting shall be sufficient to give notice of such designation to any person subject thereto or affected thereby. Upon the request of the Secretary, the management of any facility so designated shall require each employee of the facility, or any part thereof, to sign a statement that he knows that the facility has, for the purposes of this title, been designated by the Secretary under this subsection."

Designation.  
Posting of notice.

Approved May 31, 1962.

## Public Law 87-475

May 31, 1962  
[H. R. 9699]

## AN ACT

To authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Virginia, and for other purposes.

D. C.  
Sale of property.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Commissioners of the District of Columbia are hereby authorized and empowered in their discretion, to sell and convey, in whole or in part, for its reasonable market value to Prince William County, Virginia, or to a nonprofit corporation designated by the board of supervisors of such county, real estate now owned in fee simple by the District of Columbia consisting of approximately four hundred and fifty-five acres of land located in Prince William County, Virginia, and described in a deed conveying said land to the District of Columbia recorded on June 17, 1927, in liber 83, at folios 311 and 312, in the clerk's office of the circuit court of Prince William County, Commonwealth of Virginia.

SEC. 2. The said Commissioners are further authorized to pay the reasonable and necessary expenses of sale of each parcel of land sold pursuant to the provisions of this Act. They shall deposit the net proceeds of the sale in the Treasury of the United States to the credit of the District of Columbia.

Approved May 31, 1962.

## Public Law 87-476

June 8, 1962  
[S. 3157]

## AN ACT

To repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired.

D. C.  
Public buildings  
sites.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481, 40 U.S.C. 607 (a)) is hereby repealed.

SEC. 2. Subsections (b) and (c) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607 (b) and (c)) are hereby redesignated as subsections (a) and (b), respectively, of such section.

SEC. 3. Section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607) is amended by adding at the end thereof the following new subsection:

"(c) With respect to any lands located south of Independence Avenue, between Third Street SW. and Eleventh Street SE., in the District of Columbia, no such lands shall be acquired by the Administrator for use as sites, or additions to sites, without prior consultation with the House Office Building Commission created by the Act of March 4, 1907 (34 Stat. 1365).

"With respect to any lands located in the area extending from the United States Capitol Grounds to Eleventh Street NE. and SE. and bounded by Independence Avenue on the south and G Street NE. on the north, in the District of Columbia, no such lands shall be acquired by the Administrator for use as sites, or additions to sites, without prior consultation with the Architect of the Capitol."

Approved June 8, 1962.

40 USC 175.

## Public Law 87-477

## AN ACT

To approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District.

June 8, 1962  
[S. 2132]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, as revised in September 1959, is approved.

Sun River project, Mont.

SEC. 2. The Secretary of the Interior is authorized, pursuant to section 8(i) of the Act of August 4, 1939 (53 Stat. 1187), to modify the contractual obligation of the Fort Shaw Irrigation District by deducting from such obligation the amount of the unmatured construction charges as of the date of this Act against five hundred thirty-one and seventy-seven one-hundredths acres classified in a paying class under the Act of May 25, 1926 (44 Stat. 636), and found to be permanently unproductive; and the contractual obligation of the Fort Shaw Irrigation District shall, by reason of a finding that thirty-four and seventy-four one-hundredths acres of land, previously classed as permanently unproductive, possess sufficient productivity to be placed in a paying class, be increased in the sum of \$1,193.67.

43 USC 485g.

Approved June 8, 1962.

## Public Law 87-478

## JOINT RESOLUTION

Authorizing the issuance of a gold medal to Bob Hope.

June 8, 1962  
[S. J. Res. 88]

Whereas moments enriched by humor are moments free from hate and conflict, and therefore valued by mankind; and

Whereas Bob Hope has given to us and to the world many such treasured moments; and

Whereas he has done so unstintingly and unselfishly, with heavy demands on his time, talent, and energy; and

Whereas his contributions over a long period of years to the morale of millions of members of the United States armed services, in addition to those of our friends and allies, have been of immediate and enduring value; and

Whereas these contributions have been made during Christmas and at other times by personal contact in countless miles of travel around the globe, to the farthest outposts manned by American youth, during times of peace and war, often under dangerous conditions and at great personal risk; and

Whereas while at home he has given firm and imaginative support to humanitarian causes of every description; and

Whereas in all this Bob Hope has rendered an outstanding service to the cause of democracy, as America's most prized "Ambassador of Good Will" throughout the world: Therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to present in the name of the people of the United States of America a gold medal of appropriate design to Bob Hope in recognition of his aforesaid services to his country and to the cause of world peace.

Bob Hope.  
Medal.

The Secretary of the Treasury shall cause such a medal to be struck and furnished to the President. There is hereby authorized to be appropriated the sum of \$2,500 for this purpose.

Appropriation.

Approved June 8, 1962.

## Public Law 87-479

## JOINT RESOLUTION

June 8, 1962  
[S. J. Res. 151]

Permitting the Secretary of the Interior to continue to deliver water to lands in the Third Division, Riverton Federal reclamation project, Wyoming.

Interior Dept.  
Riverton Federal  
reclamation proj-  
ect, Wyo.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That pending completion of a repayment contract the Secretary of the Interior is authorized to continue to deliver water to the lands in the Third Division, Riverton Federal reclamation project, Wyoming, during the calendar year 1962, as under the provisions of section 9, subsection (d)(1), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1195; 43 U.S.C. 485h(d)) but without regard to the time limitation therein specified. Water shall be furnished upon individual applications accompanied by payments of an amount per acre to be irrigated equal to the estimated average per irrigable acre cost of operation and maintenance of the Third Division, whether or not all of the irrigable area is irrigated. Rates of charge for water delivery shall be \$4 per acre for the first three acre-feet per acre with water in excess of that amount at \$2 per acre-foot. The portion of the operation and maintenance costs applicable to lands for which water service is not requested is hereby declared to be nonreimbursable and nonreturnable.

Approved June 8, 1962.

## Public Law 87-480

## AN ACT

June 8, 1962  
[H. R. 8570]

To amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force.

Armed Forces.  
Disbursing offi-  
cers.

Advance of  
funds; account-  
ability.

10 USC 2771-  
2773.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That title 10, United States Code, is amended as follows:

(1) Chapter 165 is amended—

(A) by adding the following new section at the end thereof:

**“§ 2773. Accountability for public money: disbursing officers; agent officers**

“Under such regulations as the Secretary concerned may prescribe, any officer of an armed force accountable for public money may entrust it to another officer of an armed force to make disbursement as his agent. Both the officer to whom money is entrusted under this section, and the officer who entrusts the money to him, are pecuniarily responsible for that money to the United States. Regulations prescribed under this section by the Secretaries of the military departments must be approved by the Secretary of Defense.”; and

(B) by adding the following new item at the end of the analysis:

“2773. Accountability for public money: disbursing officers; agent officers.”

Repeal.

10 USC 4831-  
4840.

(2) Section 4833 is repealed.

(3) The analysis of chapter 453 is amended by striking out the following item:

“4833. Accountability for public money: disbursing officers; agent officers.”

Repeal.

10 USC 9831-  
9840.

(4) Section 9833 is repealed.

(5) The analysis of chapter 953 is amended by striking out the following item:

“9833. Accountability for public money: disbursing officers; agent officers.”

Approved June 8, 1962.

## Public Law 87-481

## AN ACT

To authorize an adequate White House Police force, and for other purposes.

June 8, 1962  
[H. R. 11261]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of title 3 of the United States Code is amended to read as follows:*

White House Police force.  
Increase.  
62 Stat. 680.

**“§ 202. White House Police; establishment, control, and supervision; privileges, powers, and duties**

“There is hereby created and established a permanent police force, to be known as the ‘White House Police’. Such force shall be under the control and supervision of the Secretary of the Treasury and shall perform such duties as the Secretary may prescribe in connection with the protection of the following: (1) the Executive Mansion and grounds in the District of Columbia; (2) any building in which White House offices are located; and (3) the President and members of his immediate family. The members of such force shall possess privileges and powers similar to those of the members of the Metropolitan Police of the District of Columbia.”

SEC. 2. The first sentence of subsection (a) of section 203 of title 3 of the United States Code is amended by striking out “one hundred and seventy” and inserting in lieu thereof “two hundred and fifty”.

66 Stat. 283.

Approved June 8, 1962.

## Public Law 87-482

## AN ACT

To grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949.

June 12, 1962  
[H. R. 4783]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who was a member of the Coast Guard Women's Reserve and who served on active duty therein for at least one year prior to July 25, 1947; who was separated therefrom under honorable conditions; and who also had membership therein for any period between November 1, 1949, and July 1, 1956, shall be deemed to have served on inactive duty with the Coast Guard Women's Reserve from July 25, 1947, to November 1, 1949, in the grade or rating satisfactorily held on active duty prior to July 25, 1947.*

Coast Guard.  
Women's Reserve, constructive service.

SEC. 2. Creditable constructive service for a person qualified under section 1 hereof shall be applied when providing retirement benefits under the Army and Air Force Vitalization and Retirement Equalization Act of 1948, as amended, or any other Act under which the individual may be entitled to retirement from the Armed Forces.

62 Stat. 1081;  
70A Stat. 678.

SEC. 3. Additional pay accruing to any person by virtue of increased creditable service resulting from the inclusion of constructive service creditable by application of section 1 hereof shall not be made for active or inactive duty for which pay is authorized by competent authority which is performed prior to the first day of the calendar quarter next succeeding the calendar quarter in which this Act becomes effective.

Approved June 12, 1962.



## Public Law 87-483

## AN ACT

June 13, 1962  
[S. 107]

To authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes.

Navajo Indian irrigation project;  
San Juan-Chama project.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of furnishing water for the irrigation of irrigable and arable lands and for municipal, domestic, and industrial uses, providing recreation and fish and wildlife benefits, and controlling silt, and for other beneficial purposes, the Congress approves as participating projects of the Colorado River storage project (Act of April 11, 1956, 70 Stat. 105, as amended, 43 U.S.C. 620-620o) the Navajo Indian irrigation project, New Mexico, and the initial stage of the San Juan-Chama project, Colorado-New Mexico. The Navajo Indian irrigation project and the initial stage of the San Juan-Chama project herein approved are substantially those described in the proposed coordinated report of the Acting Commissioner of Reclamation and the Commissioner of Indian Affairs, approved and adopted by the Secretary of the Interior on October 16, 1957, as conditioned, modified, and limited herein.

## NAVAJO INDIAN IRRIGATION PROJECT

43 U.S.C. 620-620o.

SEC. 2. Pursuant to the provisions of the Act of April 11, 1956, as amended, the Secretary of the Interior is authorized to construct, operate, and maintain the Navajo Indian irrigation project for the principal purpose of furnishing irrigation water to approximately one hundred and ten thousand six hundred and thirty acres of land, said project to have an average annual diversion of five hundred and eight thousand acre-feet of water and the repayment of the costs of construction thereof to be in accordance with the provisions of said Act of April 11, 1956, as amended, including, but not limited to, section 4(d) thereof.

43 USC 620c.

Publication in  
F. R.

SEC. 3. (a) In order to provide for the most economical development of the Navajo Indian irrigation project, the Secretary shall declare by publication in the Federal Register that the United States of America holds in trust for the Navajo Tribe of Indians any legal subdivisions or unsurveyed tracts of federally owned land outside the present boundary of the Navajo Indian Reservation in New Mexico in townships 28 and 29 north, ranges 10 and 11 west, and townships 27 and 28 north, ranges 12 and 13 west, New Mexico principal meridian, susceptible to irrigation as part of the project or necessary for location of any of the works or canals of such project: *Provided, however,* That no such legal subdivision or unsurveyed tract shall be so declared to be held in trust by the United States for the Navajo Tribe until the Navajo Tribe shall have paid the United States the full appraised value thereof: *And provided further,* That in making appraisals of such lands the Secretary shall consider their values as of the date of approval of this Act, excluding therefrom the value of minerals subject to leasing under the Act of February 25, 1920, as amended (30 U.S.C. 181-286), and such leasable minerals shall not be held in trust for the Navajo Tribe but shall continue to be subject to leasing under the Act of February 25, 1920, as amended, after the lands containing them have been declared to be held in trust by the United States for the Navajo Tribe.

41 Stat. 437.

(b) The Navajo Tribe is authorized to convey to the United States, and the Secretary shall accept on behalf of the United States, title to

any land or interest in land within the above-described townships, susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project, acquired in fee simple by the Navajo Tribe, and after such conveyance said land or interest in land shall be held in trust by the United States for the Navajo Tribe as a part of the project.

(c) The Secretary is authorized to acquire by purchase, exchange, or condemnation any other land or interest in land within the townships above described susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project. After such acquisition, said lands or interest in lands shall be held by the United States in trust for the Navajo Tribe of Indians.

Land acquisition.

SEC. 4. In developing the Navajo Indian irrigation project, the Secretary is authorized to provide capacity for municipal and industrial water supplies or miscellaneous purposes over and above the diversion requirements for irrigation stated in section 2 of this Act, but such additional capacity shall not be constructed and no appropriation of funds for such construction shall be made until contracts have been executed which, in the judgment of the Secretary, provide satisfactory assurance of repayment of all costs properly allocated to the purposes aforesaid with interest as provided by law.

Capacity.

SEC. 5. Payment of operation and maintenance charges of the irrigation features of the Navajo Indian irrigation project shall be in accordance with the provisions of the Act of August 1, 1914 (38 Stat. 582, 583), as amended (25 U.S.C. 385): *Provided*, That the Secretary may transfer to the Navajo Tribe of Indians the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as he may prescribe and, in such event, the Secretary may transfer to the Navajo Tribe title to movable property necessary to the operation and maintenance of those works.

Operation and maintenance charges.

SEC. 6. For the period ending ten years after completion of construction of the Navajo Indian irrigation project no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (63 Stat. 1056, 7 U.S.C. 1428), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938 (52 Stat. 41), as amended (7 U.S.C. 1281), unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

Water use.

7 USC 1301.

SEC. 7. There are hereby authorized to be appropriated to the Bureau of Indian Affairs such sums as may be required to construct the Navajo Indian irrigation project, including the purchase of lands under section 3, subsection (c), of this Act, but not more than \$135,000,000 (June 1961 prices) plus or minus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved therein.

Appropriation.

#### SAN JUAN-CHAMA RECLAMATION PROJECT (INITIAL STAGE)

SEC. 8. Pursuant to the provisions of the Act of April 11, 1956, as amended, the Secretary is authorized to construct, operate, and maintain the initial stage of the San Juan-Chama project, Colorado-New Mexico, for the principal purposes of furnishing water supplies to approximately thirty-nine thousand three hundred acres of land in the Cerro, Taos, Llano, and Pojoaque tributary irrigation units in the

43 USC 620-620o.

Rio Grande Basin and approximately eighty-one thousand six hundred acres of land in the existing Middle Rio Grande Conservancy District and for municipal, domestic, and industrial uses, and providing recreation and fish and wildlife benefits. The diversion facilities of the initial stage authorized herein shall be so constructed and operated as to divert only natural flow of the Navajo, Little Navajo, and Blanco Rivers in Colorado as set forth in the supplemental project report dated May 1957. The principal engineering works of the initial stage development, involving three major elements, shall include diversion dams and conduits, storage and regulation facilities at the Heron Numbered 4 Reservoir site, enlarged outlet works of the existing El Vado Dam, and water use facilities consisting of reservoirs, dams, canals, lateral and drainage systems, and associated works and appurtenances. The construction of recreation facilities at the Nambe Reservoir shall be contingent upon the Secretary's making appropriate arrangements with the governing body of the Nambe Pueblo for the operation and maintenance of such facilities, and the construction of recreation facilities at the Heron Numbered 4, Valdez, and Indian Camp Reservoirs shall be contingent upon his making appropriate arrangements with a State or local agency or organization for the operation and maintenance of those facilities: *Provided, That—*

Conditions.

(a) the Secretary shall so operate the initial stage of the project authorized herein that diversions to the Rio Grande Valley shall not exceed one million three hundred and fifty thousand acre-feet of water in any period of ten consecutive years, reckoned in continuing progressive series starting with the first day of October after the project shall have commenced operation: *Provided, however, That* not more than two hundred and seventy thousand acre-feet shall be diverted in any one year;

(b) the Secretary shall operate the project so that there shall be no injury, impairment, or depletion of existing or future beneficial uses of water within the State of Colorado, the use of which is within the apportionment made to the State of Colorado by article III of the Upper Colorado River Basin compact, as provided by article IX of the Upper Colorado River Basin compact and article IX of the Rio Grande compact;

(c) all works of the project shall be constructed so as to permit compliance physically with all provisions of the Rio Grande compact, and all such works shall be operated at all times in conformity with said compact;

(d) the amount of water diverted in the Rio Grande Basin for uses served by the San Juan-Chama project shall be limited in any calendar year to the amount of imported water available to such uses from importation to and storage in the Rio Grande Basin in that year;

(e) details of project operation essential to accounting for diverted San Juan and Rio Grande flows shall be developed through the joint efforts of the Rio Grande Compact Commission, the Upper Colorado River Commission, the appropriate agencies of the United States and of the States of Colorado, New Mexico, and Texas, and the various project entities. In this connection the States of Texas and New Mexico shall agree, within a reasonable time, on a system of gaging devices and measurements to secure data necessary to determine the present effects of tributary irrigation, as well as present river channel losses: *Provided, That* if the State of Texas shall require, as a condition precedent to such agreement, gaging devices and measurements in addition to or different from those considered by the Department of the Interior and the State of New Mexico to be necessary to this

determination, the State of Texas shall pay one-half of all costs of constructing and operating such additional or different devices and making such additional or different measurements which are not borne by the United States. The results of the action required by this subsection shall be incorporated in a written report transmitted to the States of Colorado, Texas, and New Mexico for comment in the manner provided in the Flood Control Act of 1944 before any appropriation shall be made for project construction;

58 Stat. 888.  
33 USC 701-1.

(f) the Secretary shall operate the project so that for the preservation of fish and aquatic life the flow of the Navajo River and the flow of the Blanco River shall not be depleted at the project diversion points below the values set forth at page D2-7 of appendix D of the United States Bureau of Reclamation report entitled "San Juan-Chama Project, Colorado-New Mexico", dated November 1955;

(g) the Secretary is hereby authorized to construct the tunnel and conduit works of the initial stage of the San Juan-Chama project with sufficient capacity for future diversion of an average of two hundred and thirty-five thousand acre-feet per annum: *Provided, however,* That nothing contained in this Act shall be construed as committing the Congress of the United States to future authorization of any additional stage of the San Juan-Chama project.

SEC. 9. For the period ending ten years after completion of construction of the initial stage of the San Juan-Chama project no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (63 Stat. 1056, 7 U.S.C. 1428), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938 (52 Stat. 41), as amended (7 U.S.C. 1281), unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

7 USC 1301.

SEC. 10. The amount which section 12 of the Act of April 11, 1956, authorizes to be appropriated is hereby increased by \$85,828,000 (June 1961 prices) plus or minus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved, which increase shall be available solely for construction of the San Juan-Chama project and shall not be used for any other purpose.

Appropriation.  
70 Stat. 110.  
43 USC 620k.

#### GENERAL

SEC. 11. (a) No person shall have or be entitled to have the use for any purpose, including uses under the Navajo Indian irrigation project and the San Juan-Chama project authorized by sections 2 and 8 of this Act, of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries originating above Navajo Reservoir to the use of which the United States is entitled under these projects except under contract satisfactory to the Secretary and conforming to the provisions of this Act. Such contracts, which, in the case of water for Indian uses, shall be executed with the Navajo Tribe, shall make provision, in any year in which the Secretary anticipates a shortage, taking into account both prospective runoff originating above Navajo Reservoir and the available water in storage in Navajo Reservoir, for a sharing of the available water in the following man-

Contracts.

ner: The prospective runoff shall be apportioned between the contractors diverting above and those diverting at or below Navajo Reservoir in the proportion that the total normal diversion requirement of each group bears to the total of all normal diversion requirements. In the case of contractors diverting above Navajo Reservoir, each such contract shall provide for a sharing of the runoff apportioned to said group in the same proportion as the normal diversion requirement under said contract bears to the total normal diversion requirements of all such contracts that have been made hereunder: *Provided*, That for any year in which the foregoing sharing procedure either would apportion to any contractor diverting above Navajo Reservoir an amount in excess of the runoff anticipated to be physically available at the point of his diversion, or would result in no water being available to one or more such contractors, the runoff apportioned to said group shall be reapportioned, as near as may be, among the contractors diverting above Navajo Reservoir in the proportion that the normal diversion requirements of each bears to the total normal diversion requirements of the group. In the case of contractors diverting from or below Navajo Reservoir, each such contract shall provide for a sharing of the remaining runoff together with the available storage in the same proportion as then normal diversion requirement under said contract bears to the total normal diversion requirements under all such contracts that have been made hereunder.

The Secretary shall not enter into contracts for a total amount of water beyond that which, in his judgment, in the event of shortage, will result in a reasonable amount being available for the diversion requirements for the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as specified in sections 2 and 8 of this Act.

No long-term contract, except contracts for the benefit of the lands and for the purposes specified in sections 2 and 8 of this Act, shall be entered into for the delivery of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries, as aforesaid, until the Secretary has determined by hydrologic investigations that sufficient water to fulfill said contract is reasonably likely to be available for use in the State of New Mexico during the term thereof under the allocations made in articles III and XIV of the Upper Colorado River Basin compact, and has submitted such determination to the Congress of the United States and the Congress has approved such contracts: *Provided*, That nothing contained in the foregoing shall be construed to forbid the Secretary from entering into temporary water supply contracts in the San Juan River Basin for any year in which he determines that water legally available for use in the upper basin of the Colorado River system would otherwise not be used there and is not needed to fulfill the obligations of the upper division States with respect to delivery of water at Lee Ferry.

(b) If contracts are entered into for delivery from storage in Navajo Reservoir of water not covered by subsection (a) of this section, such contracts shall be subject to the same provision for sharing of available water supply in the event of shortage as in the case of contracts required to be made pursuant to subparagraph (a) of this section.

**Limitations.**

(c) This section shall not be applicable to the water requirements of the existing Fruitland, Hogback, Cudai, and Cambridge Indian irrigation projects, nor to the water required in connection with the extension of the irrigated acreages of the Fruitland and Hogback Indian irrigation projects in a total amount of approximately eleven thousand acres.

SEC. 12. (a) None of the project works or structures authorized by this Act shall be so operated as to create, implement, or satisfy any

preferential right in the United States or any Indian tribe to the waters impounded, diverted, or used by means of such project works or structures, other than contained in those rights to the uses of water granted to the States of New Mexico or Arizona pursuant to the provisions of the Upper Colorado River Basin compact.

(b) The projects authorized by this Act shall be so operated that no waters shall be diverted or used by means of the project works, which, together with all other waters used in or diverted from the San Juan River Basin in New Mexico, will exceed the water available to the States of New Mexico and Arizona under the allocation contained in article III of the Upper Colorado River Basin compact for any water year.

SEC. 13. (a) The use of water, including that diverted from the Colorado River system to the Rio Grande Basin, through works constructed under authority of this Act, shall be subject to and controlled by the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, and the Mexican Water Treaty (Treaty Series 994), and shall be included within and shall in no way increase the total quantity of water to the use of which the State of New Mexico is entitled and limited under said compacts, statutes, and treaty, and every contract entered into under this Act for the storage, use, and delivery of such water shall so recite.

45 Stat. 1057;  
54 Stat. 774;  
70 Stat. 105.  
43 USC 617t,  
618o, 620-620o.  
59 Stat. 1219.

(b) All works constructed under authority of this Act, and all officers, employees, permittees, licensees, and contractees of the United States and of the State of New Mexico acting pursuant thereto and all users and appropriators of water of the Colorado River system diverted or delivered through the works constructed under authority of this Act and any enlargements or additions thereto shall observe and be subject to said compacts, statutes, and treaty, as hereinbefore provided, in the diversion, delivery, and use of water of the Colorado River system, and such condition and covenant shall attach as a matter of law whether or not set out or referred to in the instrument evidencing such permit, license, or contract and shall be deemed to be for the benefit of and be available to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the users of water therein or thereunder by way of suit, defense, or otherwise in any litigation respecting the waters of the Colorado River system.

(c) No right or claim of right to the use of the waters of the Colorado River system shall be aided or prejudiced by this Act, and Congress does not, by its enactment, construe or interpret any provision of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, or the Mexican Water Treaty or subject the United States to, or approve or disapprove any interpretation of, said compacts, statutes, or treaty, anything in this Act to the contrary notwithstanding.

SEC. 14. In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act and the treaty with the United Mexican States in the storage and release of water from reservoirs in the Colorado River Basin. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section,

and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

Report to Congress.

SEC. 15. The Secretary of the Interior is directed to continue his studies of the quality of water of the Colorado River system, to appraise its suitability for municipal, domestic, and industrial use and for irrigation in the various areas in the United States in which it is used or proposed to be used, to estimate the effect of additional developments involving its storage and use (whether heretofore authorized or contemplated for authorization) on the remaining water available for use in United States, to study all possible means of improving the quality of such water and of alleviating the ill effects of water of poor quality, and to report the results of his studies and estimates to the Eighty-seventh Congress and every two years thereafter.

SEC. 16. (a) The diversion of water for either or both of the projects authorized in this Act shall in no way impair or diminish the obligation of the "States of the upper division" as provided in article III(d) of the Colorado River compact "not to cause the flow of the river at Lee Ferry to be depleted below an aggregate of seventy-five million acre-feet for any period of ten consecutive years reckoned in continuing progressive series beginning with the first day of October next succeeding the ratification of this compact".

(b) The diversion of water for either or both of the projects authorized in this Act shall in no way impair or diminish the obligation of the "States of the upper division" to meet their share of the Mexican Treaty burden as provided in article III(c) of the Colorado River compact.

70 Stat. 110.  
43 USC 620k.

SEC. 17. Section 12 of the Act of April 11, 1956, shall not apply to the works authorized by this Act except as otherwise provided by section 10 of this Act.

70 Stat. 105.  
43 U S C 620-  
620o.

SEC. 18. The Act of April 11, 1956, as amended, is hereby further amended as follows: (i) In section 1, subsection (2), after the words "Central Utah (initial phase)" delete the colon and insert in lieu thereof a comma and the words "San Juan-Chama (initial stage)," and after the word "Lyman" insert the words "Navajo Indian,"; (ii) in section 2 delete the words "San Juan-Chama, Navajo," from the first sentence; (iii) in section 5, subsection (e), in the phrase "herein or hereinafter authorized" delete the word "hereinafter" and insert in lieu thereof the word "hereafter"; (iv) in section 7 in the phrase "and any contract lawfully entered unto under said compacts and Acts" delete the word "unto" and insert in lieu thereof the word "into".

Approved June 13, 1962, 11:15 a.m.

## Public Law 87-484

### AN ACT

June 15, 1962  
[H. R. 7559]

To amend title 39 of the United States Code to provide for additional writing or printing on third and fourth class mail.

Postal Service.  
Third and fourth  
class mail.  
74 Stat. 676.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the present section 4555 of title 39, United States Code, be designated subparagraph (a) and a new subparagraph (b) be added as follows:

"(b) There may be enclosed with, attached to, or endorsed upon third and fourth class mail, either in writing or otherwise, the instructions and directions for the use thereof."

Approved June 15, 1962.

## Public Law 87-485

## JOINT RESOLUTION

Deferring until July 15, 1962, the issuance of a proclamation with respect to a national wheat acreage allotment.

June 15, 1962  
[S. J. Res. 198]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provisions of law, the Secretary of Agriculture may defer until July 15, 1962, any proclamation under section 332 of the Agricultural Adjustment Act of 1938, as amended, with respect to a national acreage allotment for the 1963 crop of wheat and any proclamation under section 335 of such Act with respect to marketing quotas for such crop of wheat.

Wheat.  
Ante, p. 69.

68 Stat. 903.  
7 USC 1332.

52 Stat. 54.  
7 USC 1335.

Approved June 15, 1962.

## Public Law 87-486

## AN ACT

To amend section 2385 of title 18 of the United States Code to define the term "organize" as used in that section.

June 19, 1962  
[H. R. 3247]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2385 of title 18 of the United States Code is amended by adding at the end thereof the following new paragraph:

62 Stat. 808.

"As used in this section, the terms 'organizes' and 'organize', with respect to any society, group, or assembly of persons, include the recruiting of new members, the forming of new units, and the regrouping or expansion of existing clubs, classes, and other units of such society, group, or assembly of persons."

"Organize."

Approved June 19, 1962.

## Public Law 87-487

## AN ACT

To amend title 39 of the United States Code to provide for payment for unused compensatory time owing to deceased postal employees, and for other purposes.

June 19, 1962  
[H. R. 7061]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3573 of title 39, United States Code, is amended by adding at the end thereof a new paragraph (5), as follows:

Postal employ-  
ees.  
Compensatory  
time.  
74 Stat. 651.

"(5) If an employee is entitled under this section to unused compensatory time at the time of his death, the Postmaster General shall pay at the rate prescribed in this section, but not less than a sum equal to the employee's hourly basic compensation, for each hour of such unused compensatory time to the person or persons surviving at the date of such employee's death. Such payment shall be made in the order of precedence prescribed in the first section of the Act of August 3, 1950 (5 U.S.C. 61f), and shall be a bar to recovery by any other person of amounts so paid."

64 Stat. 395.

Approved June 19, 1962.



## Public Law 87-488

June 19, 1962  
[H. R. 10788]

## AN ACT

To amend section 204 of the Agricultural Act of 1956.

Textile imports.  
Regulations.  
70 Stat. 200.  
7 USC 1854.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 204 of the Agricultural Act of 1956 is amended by inserting the following after the first sentence thereof: "In addition, if a multilateral agreement has been or shall be concluded under the authority of this section among countries accounting for a significant part of world trade in the articles with respect to which the agreement was concluded, the President may also issue, in order to carry out such an agreement, regulations governing the entry or withdrawal from warehouse of the same articles which are the products of countries not parties to the agreement."

Approved June 19, 1962.

## Public Law 87-489

June 19, 1962  
[H. R. 7416]

## AN ACT

To authorize the Bureau of the Census to make appropriate reimbursements between the respective appropriations available to the Bureau, and for other purposes.

Census Bureau.  
Reimbursements  
between appropri-  
ations.  
68 Stat. 1012.  
13 USC 1-13.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subchapter I of chapter I of title 13, United States Code, is amended by adding at the end of such subchapter the following new section:

**§ 14. Reimbursement between appropriations**

"Subject to limitations applicable with respect to each appropriation concerned, each appropriation available to the Bureau may be charged, at any time during a fiscal year, for the benefit of any other appropriation available to the Bureau, for the purpose of financing the procurement of materials and services, or financing activities or other costs, for which funds are available both in the financing appropriation so charged and in the appropriation so benefited; except that such expenses so financed shall be charged on a final basis, as of a date not later than the close of such fiscal year, to the appropriation so benefited, with appropriate credit to the financing appropriation."

(b) The table of contents of such subchapter I is amended by adding

"14. Reimbursement between appropriations."

immediately below

"13. Procurement of professional services."

Effective date.

SEC. 2. The amendments made by the first section of this Act shall be effective with respect to each fiscal year which begins on or after July 1, 1961.

Approved June 19, 1962.

## Public Law 87-490

## AN ACT

To amend the Bretton Woods Agreements Act to authorize the United States to participate in loans to the International Monetary Fund to strengthen the international monetary system.

June 19, 1962  
[H. R. 10162]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Bretton Woods Agreements Act, as amended (22 U.S.C. 286—286k-1), is amended by adding at the end thereof the following new sections:

Bretton Woods  
Agreements Act,  
amendment.  
59 Stat. 512;  
73 Stat. 80.

“SEC. 17. (a) In order to carry out the purposes of the decision of January 5, 1962, of the Executive Directors of the International Monetary Fund, the Secretary of the Treasury is authorized to make loans, not to exceed \$2,000,000,000 outstanding at any one time, to the Fund under article VII, section 2(i), of the Articles of Agreement of the Fund. Any loan under the authority granted in this subsection shall be made with due regard to the present and prospective balance of payments and reserve position of the United States.

“(b) For the purpose of making loans to the International Monetary Fund pursuant to this section, there is hereby authorized to be appropriated \$2,000,000,000, to remain available until expended to meet calls by the International Monetary Fund. Any payments made to the United States by the International Monetary Fund as a repayment on account of the principal of a loan made under this section shall continue to be available for loans to the International Monetary Fund.

Appropriation.

“(c) Payments of interest and charges to the United States on account of any loan to the International Monetary Fund shall be covered into the Treasury as miscellaneous receipts. In addition to the amount authorized in subsection (b), there is hereby authorized to be appropriated such amounts as may be necessary for the payment of charges in connection with any purchases of currencies or gold by the United States from the International Monetary Fund.

“SEC. 18. Any purchases of currencies or gold by the United States from the International Monetary Fund may be transferred to and administered by the fund established by section 10 of the Gold Reserve Act of 1934, as amended (31 U.S.C. 822a), for use in accordance with the provisions of that section. The Secretary of the Treasury is authorized to utilize the resources of that fund for the purpose of any repayments in connection with such transactions.”

Currencies or  
gold purchases,  
transfer.

48 Stat. 341.

SEC. 2. The last sentence of section 7(c) of the Bretton Woods Agreements Act (22 U.S.C. 286e) is amended to read as follows: “The face amount of special notes issued to the Fund under the authority of this subsection and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the Fund and the dollar equivalent of currencies and gold which the United States shall have purchased from the Fund in accordance with the Articles of Agreement, and the face amount of such notes issued to the Bank and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the Bank under article II, section 7(i), of the Articles of Agreement of the Bank.”

Special notes.  
59 Stat. 514.

Approved June 19, 1962.

## Public Law 87-491

## AN ACT

June 19, 1962  
[H. R. 6695]

To amend title 39 of the United States Code with respect to the transportation of mail by highway post office service, and for other purposes.

Postal Service.  
Highway post  
office contracts.  
74 Stat. 695.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsections (b) and (c) of section 6352 of title 39, United States Code, are amended to read as follows:

“(b) The Postmaster General in contracts for highway post office service may provide for—

“(1) increasing or decreasing the mileage;

“(2) the addition of new route segments if the original route and the new segment to be so added have at least one common terminus point;

“(3) increasing or decreasing the hours of service required;

“(4) other service changes;

“(5) the readjustment and compensation either upward or downward to reflect the service changes and increased or decreased costs attributable to changed conditions occurring during the contract term over which the Postmaster General or the contractor have no control and which could not reasonably have been foreseen at the time the original bid was made or the proposal for renewal filed;

“(6) the imposition or remission of fines and penalties by the Postmaster General for delinquencies in the performance of the contracts; and

“(7) other matters deemed appropriate by him.

Alteration or  
renewal.

“(c) If the Postmaster General determines highway post office service is no longer required on a route already under contract, the Postmaster General may, in his discretion, and with the consent of the highway post office contractor, alter the existing highway post office contract to permit the substitution of star route service in lieu of highway post office service for the remainder of the contract period at a rate which shall be determined by negotiation, taking into consideration the nature and extent of the star route service and other pertinent factors, but which shall not be in excess of the rate being paid under such existing highway post office contract. The Postmaster General is authorized to extend or renew said contracts for substituted star route service for successive periods of not more than four years at the rate of compensation prevailing at the end of the preceding contract term. The provisions of section 6420 of this title shall not apply to the contracts altered or renewed pursuant to the authority conferred by this subsection.

74 Stat. 701.

Cancellation.

“(d) If the Postmaster General shall cancel any contract for highway post office service, he shall make the following indemnities on account of such cancellation:

“(1) not in excess of one-twelfth of the compensation which would have been earned in one year if the service discontinued had been performed; and

“(2) an equitable allowance on account of any vehicle made surplus resulting from such discontinuance of the service. The equitable allowance shall be equal to one-half of the difference between the depreciated value which the vehicle made surplus had as of the time it was first used to perform the contract and the sum of (A) depreciation which occurs during the performance of the contract and (B) the proceeds realized by the sale or disposal of the vehicle made surplus by discontinuation of the service. For

the purposes of determining depreciated value as of the time that the vehicle was first used in the performance of the contract and the depreciation which occurs during the performance of the contract, such vehicle will be deemed to have a service life of seventy-two months and such vehicle will be deemed to uniformly depreciate one seventy-second of its original sales price for each month.

“(e) If a contract is altered pursuant to subsection (c), the contractor shall not be entitled to either the indemnity or to the equitable allowance provided either in subsection (d) or by terms of his contract.”

Approved June 19, 1962.

## Public Law 87-492

### AN ACT

To authorize the Secretary of Agriculture to permit certain property to be used for State forestry work, and for other purposes.

June 25, 1962  
[H. R. 9736]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress recognizes that for many years the United States and certain States have cooperated in the production of tree planting stock for use in the reforestation of the public and private lands of the Nation; that the program of production of tree planting stock which was initiated and pursued under the Soil Bank Act (7 U.S.C. 1801 et seq.) was carried on under written agreements which provided for (a) cooperation between the Forest Service, on behalf of the United States, and the States which participated in the program, (b) payments to said States for costs and expenses incurred in the development of nursery facilities, (c) the holding of such funds by the States in trust for the purpose of carrying out the provisions of said agreements, and (d) restoration to the trust fund of an amount equal to the residual value of any supplies, materials, equipment, or improvements acquired or constructed with trust funds and transferred to State forestry work other than the soil bank program; that such program under said Soil Bank Act has been discontinued, but the need for the trees continues to be great; that the States and Federal Government are cooperating in the procurement, production, and distribution of forest-tree seeds and plants under section 4 of the Clarke-McNary Act of June 7, 1924 (16 U.S.C. 567), and in the reforestation of lands under title IV of the Agricultural Act of 1956 (16 U.S.C. 568e-g); and that said participating States need the said supplies, materials, equipment, or improvements for use in connection with their respective forestry programs, and it is in the public interest to permit these States to use said property without the requirement that payment be made for the residual value thereof.

Agriculture.  
Forest tree nursery facilities,  
transfer to States.

70 Stat. 188.

63 Stat. 909.  
70 Stat. 207.

SEC. 2. For the purpose of assisting those States which participated in the program carried on under the Soil Bank Act in continuing the production of needed tree planting stock and in other forestry programs, the Secretary of Agriculture is authorized to permit any supplies, materials, equipment, or improvements acquired or constructed with trust funds under the agreements referred to in section 1 to be used in such State forestry work as may further the objectives of related Federal programs, as he may approve, without the requirement that any payment be made by the State into the trust funds.

Approved June 25, 1962.

## Public Law 87-493

## AN ACT

June 25, 1962  
[H. R. 4939]

To provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Jasper County, Georgia, to the Jasper County Board of Education.

Jasper County,  
Ga.  
Land convey-  
ance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That upon the written consent of the Georgia Development Authority, a public corporation organized and existing under the laws of the State of Georgia, the United States of America, acting through the Administrator of the Farmers Home Administration, is authorized and directed to convey by quitclaim deed to the Board of Education of Jasper County, State of Georgia, its successors and assigns, at fair market value, all of the right, title, and interest retained by the United States of America in its quitclaim deed to the Board of Education of Jasper County, Georgia, dated the 26th day of April 1940, and recorded on the 18th day of June 1940, in deed recorded in book A-6, pages 160, 161, and 162, in the office of the clerk of the superior court of Jasper County, Georgia, covering a tract of land containing 42.65 acres, more or less, in Jasper County, Georgia, and more particularly described as follows:

Beginning at the point of intersection of the northern right-of-way line of Benton Road with the eastern right-of-way line of road "A" and running along the eastern right-of-way line of said road "A" north 44 degrees 52 minutes east 1,384.33 feet to the point of curvature of a curve to the right having a degree of curvature of 22 degrees 00 minutes;

Thence, along the said curve through the arc whose chord is north 55 degrees 40 minutes 30 seconds east 99.22 feet to a point of tangency; thence along said eastern right-of-way line north 66 degrees 37 minutes east 632.90 feet; thence, leaving said right-of-way line south 12 degrees 05 minutes east for a distance of 891.10 feet; thence south 34 degrees 28 minutes west 1,290.76 feet to a point on the northern right-of-way line of Benton Road;

Thence, along said northern right-of-way line north 63 degrees 28 minutes west 271.25 feet to the point of curvature of a curve to the right, having a degree of curvature of 04 degrees 04 minutes; thence along said curve through the arc whose chord is north 61 degrees 57 minutes west 74.52 feet to a point of tangency; thence north 60 degrees 26 minutes west 392.32 feet to the point of curvature of a curve to the right, having a degree of curvature of 04 degrees 04 minutes;

Thence along said curve through the arc whose chord is north 58 degrees 13 minutes west 108.90 feet to a point of tangency; thence north 56 degrees 00 minutes west 426.48 feet to the point of beginning; all of which is more clearly shown on a plat thereof prepared by the United States Department of Agriculture, Farm Security Administration, dated March 17, 1938 and revised November 14, 1939, and designated as plan numbered 3003-PP, together with all buildings and other improvements thereon, including all equipment of whatsoever nature therein.

Approved June 25, 1962.

## Public Law 87-494

## AN ACT

June 25, 1962  
[H. R. 10374]

To amend section 6 of the Agricultural Marketing Act, as amended, to reduce the revolving fund available for subscriptions to the capital stock of the banks for cooperatives.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6 of the Agricultural Marketing Act, as amended (12 U.S.C. 1141d), is amended by adding the following sentence at the end thereof: "Effective upon enactment of this sentence the sum authorized to be appropriated for the aforesaid revolving fund is reduced from \$500,000,000 to \$150,000,000 and any amount in said fund in excess of \$150,000,000 (including any amount thereof used to purchase capital stock in the central and regional banks for cooperatives) shall be credited to miscellaneous receipts of the Treasury."

Agricultural  
Marketing Act,  
amendment.  
Revolving fund,  
reduction.  
46 Stat. 14.

Approved June 25, 1962.

## Public Law 87-495

## AN ACT

June 25, 1962  
[H. R. 4083]

To reduce the frequency of reports required of the Veterans' Administration on the use of surplus dairy products.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the last sentence of section 202(a) of the Agricultural Act of 1949, as amended (7 U.S.C. 1446a(a)), is amended by striking out "monthly" and inserting in lieu thereof "every six months".

68 Stat. 900;  
75 Stat. 319.

Approved June 25, 1962.

## Public Law 87-496

## AN ACT

June 25, 1962  
[H. R. 7532]

To amend title 39 of the United States Code relating to funds received by the Post Office Department from payments for damage to personal property, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2203 of title 39 of the United States Code is amended by adding at the end thereof the following new subsection:

Postal Service.  
Reimbursement  
of appropriations.  
74 Stat. 595.

"(c) Collections from the following shall be credited by the Postmaster General to current applicable appropriations of the Department and shall be available for expenditure for the purpose of such applicable appropriations—

"(1) Payments for damage to Government-owned personal property under custody and control of the Department;

"(2) Rent paid by private concerns for space in buildings acquired by the Department under the provisions of sections 2102 and 2103 of this title;

"(3) Payments made by contractors for services performed for them by postal personnel; and

"(4) Fines, penalties, and refunds resulting from nonperformance or inadequate performance of carriers and contractors."

Approved June 25, 1962.

## Public Law 87-497

June 25, 1962  
[H. R. 10986]

## AN ACT

To continue for a temporary period the existing suspension of duty on certain amorphous graphite.

Amorphous  
graphite.  
Duty suspen-  
sion, continuation.

19 USC 1001,  
par. 213 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to suspend for two years the import duty on certain amorphous graphite", approved May 13, 1960 (Public Law 86-453; 74 Stat. 103), is amended by striking out "during the two-year period beginning on the day after the date of the enactment of this Act" and inserting in lieu thereof "after May 13, 1960, and before July 1, 1964".

Approved June 25, 1962.

## Public Law 87-498

June 25, 1962  
[H. R. 7866]

## AN ACT

To amend the Poultry Products Inspection Act to extend the application thereof to the Commonwealth of Puerto Rico and the Virgin Islands.

Poultry Prod-  
ucts Inspection  
Act, amendment.  
21 USC 451-469.

"Commerce."

"State."

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4 of the Poultry Products Inspection Act (71 Stat. 441) is amended by striking section 4(a) and inserting in lieu thereof the following:

"(a) the term 'commerce' means commerce between any State or the District of Columbia, and any place outside thereof; or between points within the same State or the District of Columbia, but through any place outside thereof; or within the District of Columbia; and the term 'State' includes the Commonwealth of Puerto Rico and the Virgin Islands."

Approved June 25, 1962.

## Public Law 87-499

June 25, 1962  
[H. R. 8434]

## AN ACT

To authorize the Secretary of Agriculture to sell and convey a certain parcel of land to the city of Mount Shasta, California.

Mount Shasta,  
Calif.  
Land convey-  
ance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Agriculture is authorized to sell and convey to the city of Mount Shasta, California, by quitclaim deed, at its appraised value as determined by him, all the right, title, and interest of the United States in and to that certain parcel of land containing four and one-half acres, more or less, located in Siskiyou County, California, adjacent to the city of Mount Shasta, conveyed to the United States by Enrico Spini and Anunzia Spini, and further described as follows:

The south one-half of the southwest quarter of the southwest quarter of the northwest quarter of section 22, township 40 north, range 4 west, Mount Diablo base and meridian, excepting, a strip of land approximately 60 feet wide and approximately 330 feet long on the west side of said tract, deeded to the State of California and used as a State highway right-of-way.

Approved June 25, 1962.

## Public Law 87-500

## AN ACT

To amend section 303(a) of the Career Compensation Act of 1949 by increasing per diem rates and to provide reimbursement under certain circumstances for actual expenses incident to travel.

June 27, 1962  
[H. R. 7723]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 303(a) of the Career Compensation Act of 1949 (63 Stat. 802), as amended (37 U.S.C. 253(a)), is further amended by striking from the last sentence thereof the figure "\$12" in clause (2) and inserting in lieu thereof the figure "\$16<sup>55</sup>".

Armed Forces.  
Per diem, travel  
rates, increase.  
63 Stat. 813;  
69 Stat. 21.

SEC. 2. Section 303(a) is further amended by adding the following new sentence at the end thereof: "Where due to unusual circumstances of a travel assignment the maximum per diem allowance would be less than the amount required to meet the actual and necessary expenses of the trip, reimbursement for such expenses may be authorized, under regulations to be prescribed by the Secretaries concerned, on an actual expense basis, but not to exceed the amount specified in the travel authorization, and in any event not to exceed \$30 for each day in a travel status."

Approved June 27, 1962.

## Public Law 87-501

## AN ACT

To amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended.

June 27, 1962  
[H. R. 11743]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 307 of the Federal Civil Defense Act of 1950, as amended (50 U.S.C., app. 2297), is further amended by striking out the date "June 30, 1962" and inserting in lieu thereof the date "June 30, 1966".

64 Stat. 1254;  
72 Stat. 356.

Approved June 27, 1962.

## Public Law 87-502

## AN ACT

To authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters.

June 27, 1962  
[S. 1742]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsections (b) and (c) of section 2 of the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950 (64 Stat. 1109), as amended, are amended to read as follows:

Disasters.  
Aid to Guam,  
etc.

"(b) 'United States' includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(c) 'State' means any State in the United States, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands."

42 USC 1855a.  
Definitions.

SEC. 2. Section 3 of the said Act is amended by inserting in clause (d), after the words "replacements of public facilities of" the words "States and".

42 USC 1855b.

Approved June 27, 1962.



## Public Law 87-503

June 27, 1962  
[S. 2893]

## AN ACT

To declare that certain land of the United States is held by the United States in trust for the Prairie Band of Potawatomi Indians in Kansas.

Indians.  
Potawatomi  
Tribe, lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all right, title, and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Prairie Band of Potawatomi Indians in Kansas: Southeast quarter southeast quarter northeast quarter section 21, township 8 south, range 15 east, sixth principal meridian, Kansas, containing 10 acres, more or less.

Approved June 27, 1962.

## Public Law 87-504

June 28, 1962  
[S. 2164]

## AN ACT

To authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes.

First World Conference on National Parks, Seattle, Wash., 1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to cooperate with the First World Conference on National Parks, scheduled to be held in Seattle, Washington, in 1962, and in connection therewith he may participate in defraying the expenses of the conference on a matching basis in an amount not to exceed \$30,000, the appropriation of which is hereby authorized.

Approved June 28, 1962.

## Public Law 87-505

June 28, 1962  
[S. 3203]

## AN ACT

To extend the Defense Production Act of 1950, as amended, and for other purposes.

67 Stat. 131;  
74 Stat. 282.  
50 USC  
app. 2166.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 717(a) of the Defense Production Act of 1950 is amended by striking out "June 30, 1962" and inserting in lieu thereof "June 30, 1964".

Approved June 28, 1962.

## Public Law 87-506

June 28, 1962  
[S. 3291]

## AN ACT

To amend section 14(b) of the Federal Reserve Act, as amended, to extend for two years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury.

Federal Reserve Act, amendment.  
38 Stat. 265;  
74 Stat. 295.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355) is amended by striking out "July 1, 1962" and inserting in lieu thereof "July 1, 1964" and by striking out "June 30, 1962" and inserting in lieu thereof "June 30, 1964".

Approved June 28, 1962.

## Public Law 87-507

## AN ACT

To amend the Act of August 9, 1955, relating to the regulation of fares for the transportation of schoolchildren in the District of Columbia.

June 28, 1962  
[S. 1745]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia", approved August 9, 1955 (D.C. Code, sec. 44-214a), is amended by adding at the end thereof the following new section:

D. C.  
Schoolchildren,  
transportation  
fares.

69 Stat. 616.

"SEC. 2. If, after giving effect to any and all motor vehicle fuel tax and real estate tax exemptions, the net operating income from mass transportation operations in the District of Columbia of any common carrier required to furnish transportation to schoolchildren at a reduced fare under this Act for any twelve-month period ending August 31 is less than the rate of return established by the regulatory commission having jurisdiction in such carrier's last rate case, net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on its gross operating revenues in the District of Columbia, exclusive of any school fare subsidy, then the Washington Metropolitan Area Transit Commission shall, as soon as practicable after such August 31, certify to the Commissioners of the District of Columbia or their designated agent with respect to such twelve-month period: (1) an amount which is the difference between the total of all reduced fares paid to each such carrier by schoolchildren in accordance with this Act and the amount which would have been paid to each such carrier if such fares had been paid at the lowest adult fare established by the Commission for regular route transportation; and (2) an amount which is the amount by which each such carrier's net operating income from mass transportation operations in the District of Columbia is less than such rate of return established by the appropriate regulatory commission in the carrier's last rate case, after giving effect to the aforesaid tax exemptions, exclusive of any such school fare subsidy. Upon such certification, the Board of Commissioners of the District of Columbia shall pay to each such carrier an amount equal to the amount certified pursuant to clause (1) thereof; except that in no event shall such amount exceed the amount certified pursuant to clause (2) hereof."

SEC. 2. The amendment made by the first section of this Act shall be applicable with respect to the twelve-month period ending on August 31 next following the date of enactment of this Act, and to each twelve-month period thereafter.

Approved June 28, 1962.

Effective date.

## Public Law 87-508

June 28, 1962  
[H. R. 11879]

## AN ACT

To provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes.

Tax Rate Extension Act of 1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Tax Rate Extension Act of 1962".

**SEC. 2. ONE-YEAR EXTENSION OF CORPORATE NORMAL-TAX RATE.**

75 Stat. 193.  
26 USC 11, 821.

Section 11(b) (relating to corporate normal tax), section 821(a) (1)(A) (relating to mutual insurance companies other than interinsurers), and section 821(b) (1) (relating to interinsurers) of the Internal Revenue Code of 1954 are amended as follows:

- (1) By striking out "JULY 1, 1962" each place it appears and inserting in lieu thereof "JULY 1, 1963";
- (2) By striking out "July 1, 1962" each place it appears and inserting in lieu thereof "July 1, 1963";
- (3) By striking out "JUNE 30, 1962" each place it appears and inserting in lieu thereof "JUNE 30, 1963"; and
- (4) By striking out "June 30, 1962" each place it appears and inserting in lieu thereof "June 30, 1963".

**SEC. 3. ONE-YEAR EXTENSION OF CERTAIN EXCISE-TAX RATES.**

(a) **EXTENSION OF RATES.**—The following provisions of the Internal Revenue Code of 1954 are amended by striking out "July 1, 1962" each place it appears and inserting in lieu thereof "July 1, 1963"—

26 USC 4061-  
5701.

- (1) section 4061 (relating to motor vehicles);
- (2) section 4251(b) (2) (relating to termination of tax on general telephone service);
- (3) section 5001(a) (1) (relating to distilled spirits);
- (4) section 5001(a) (3) (relating to imported perfumes containing distilled spirits);
- (5) section 5022 (relating to cordia's and liqueurs containing wine);
- (6) section 5041(b) (relating to wines);
- (7) section 5051(a) (relating to beer); and
- (8) section 5701(c) (1) (relating to cigarettes).

(b) **TECHNICAL AMENDMENTS.**—The following provisions of the Internal Revenue Code of 1954 are amended as follows:

26 USC 5063.

- (1) Section 5063 (relating to floor stocks refunds on distilled spirits, wines, cordials, and beer) is amended by striking out "July 1, 1962" each place it appears and inserting in lieu thereof "July 1, 1963", and by striking out "October 1, 1962" and inserting in lieu thereof "October 1, 1963".

26 USC 5707.

- (2) Subsections (a) and (b) of section 5707 (relating to floor stocks refunds on cigarettes) are amended by striking out "July 1, 1962" each place it appears and inserting in lieu thereof "July 1, 1963", and by striking out "October 1, 1962" and inserting in lieu thereof "October 1, 1963".

26 USC 6412.

- (3) Section 6412(a) (1) (relating to floor stocks refunds on automobiles) is amended by striking out "July 1, 1962" each place it appears and inserting in lieu thereof "July 1, 1963", by striking out "October 1, 1962" and inserting in lieu thereof "October 1, 1963", and by striking out "November 10, 1962" each place it appears and inserting in lieu thereof "November 10, 1963".

26 USC 5701  
note.

Section 497 of the Revenue Act of 1951 (relating to refunds on articles from foreign trade zones), as amended, is amended by striking out "July 1, 1962" each place it appears and inserting in lieu thereof "July 1, 1963".

**SEC. 4. EXEMPTION FROM COMMUNICATIONS TAX OF CERTAIN PRIVATE LINE SERVICES USED IN CONDUCT OF TRADE OR BUSINESS.**

(a) **WIRE MILEAGE SERVICE.**—Section 4252(e) of the Internal Revenue Code of 1954 (relating to definition of wire mileage service) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

72 Stat. 1290.  
26 USC 4252.

“(1) any telephone or radiotelephone service not used in the conduct of a trade or business, and

“(2) any other wire or radio circuit service not used in the conduct of a trade or business.”

(b) **GENERAL TELEPHONE SERVICE.**—Section 4253 of such Code (relating to exemptions from the communications tax) is amended by adding at the end thereof the following new subsection:

26 USC 4253.

“(j) **CERTAIN PRIVATE COMMUNICATIONS SERVICES.**—No tax shall be imposed under section 4251 on any amount paid for the use of any telephone or radiotelephone line or channel which constitutes general telephone service (within the meaning of section 4252(a)), if—

26 USC 4251.

“(1) such line or channel is furnished between specified locations in different States or between specified locations in different counties, municipalities, or similar political subdivisions of a State, and

“(2) such use is in the conduct of a trade or business.”

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply with respect to services furnished on or after January 1, 1963.

**SEC. 5. EXTENSION THROUGH NOVEMBER 15, 1962, OF TAX ON TRANSPORTATION OF PERSONS, AND FURTHER EXTENSION OF TAX ON TRANSPORTATION OF PERSONS BY AIR AT 5-PERCENT RATE FOR PERIOD NOVEMBER 16, 1962, THROUGH JUNE 30, 1963.**

(a) **TEMPORARY EXTENSION OF TAX.**—Section 4261 of the Internal Revenue Code of 1954 (relating to the imposition of tax on the transportation of persons) is amended—

70 Stat. 644.  
26 USC 4261.

(1) by striking out everything after “equal to” in subsections (a) and (b) and inserting in lieu thereof “10 percent of the amount so paid for transportation which begins before November 16, 1962.”; and

(2) by striking out everything after “equivalent to” in subsection (c) and inserting in lieu thereof “10 percent of the amount so paid in connection with transportation which begins before November 16, 1962.”

68A Stat. 506.

(b) **TAX APPLICABLE TO TRANSPORTATION OF PERSONS BY AIR FOR PERIOD NOVEMBER 16, 1962, TO JULY 1, 1963.**—Effective with respect to transportation beginning after November 15, 1962, subchapter C of chapter 33 of such Code (relating to the tax on the transportation of persons) is amended to read as follows:

26 USC 4261-4264.

**“Subchapter C—Transportation of Persons by Air**

“Sec. 4261. Imposition of tax.

“Sec. 4262. Definition of taxable transportation.

“Sec. 4263. Exemptions.

“Sec. 4264. Special rules.

**“SEC. 4261. IMPOSITION OF TAX.**

“(a) **AMOUNTS PAID WITHIN THE UNITED STATES.**—There is hereby imposed upon the amount paid within the United States for taxable transportation (as defined in section 4262) of any person by air a tax equal to 5 percent of the amount so paid for transportation which begins after November 15, 1962, and before July 1, 1963.

Post, p. 116.

"(b) AMOUNTS PAID OUTSIDE THE UNITED STATES.—There is hereby imposed upon the amount paid without the United States for taxable transportation (as defined in section 4262) of any person by air, but only if such transportation begins and ends in the United States, a tax equal to 5 percent of the amount so paid for transportation which begins after November 15, 1962, and before July 1, 1963.

"(c) SEATS, BERTHS, ETC.—There is hereby imposed upon the amount paid for seating or sleeping accommodations in connection with transportation with respect to which a tax is imposed by subsection (a) or (b) a tax equivalent to 5 percent of the amount so paid in connection with transportation which begins after November 15, 1962, and before July 1, 1963.

Post, p. 117.

"(d) BY WHOM PAID.—Except as provided in section 4264, the taxes imposed by this section shall be paid by the person making the payment subject to the tax.

**"SEC. 4262. DEFINITION OF TAXABLE TRANSPORTATION.**

"(a) TAXABLE TRANSPORTATION; IN GENERAL.—For purposes of this subchapter, except as provided in subsection (b), the term 'taxable transportation' means—

"(1) transportation which begins in the United States or in the 225-mile zone and ends in the United States or in the 225-mile zone; and

"(2) in the case of transportation other than transportation described in paragraph (1), that portion of such transportation which is directly or indirectly from one port or station in the United States to another port or station in the United States, but only if such portion is not a part of uninterrupted international air transportation (within the meaning of subsection (c) (3)).

"(b) EXCLUSION OF CERTAIN TRAVEL.—For purposes of this subchapter, the term 'taxable transportation' does not include that portion of any transportation which meets all 4 of the following requirements:

"(1) such portion is outside the United States;

"(2) neither such portion nor any segment thereof is directly or indirectly—

"(A) between (i) a point where the route of the transportation leaves or enters the continental United States, or (ii) a port or station in the 225-mile zone, and

"(B) a port or station in the 225-mile zone;

"(3) such portion—

"(A) begins at either (i) the point where the route of the transportation leaves the United States, or (ii) a port or station in the 225-mile zone, and

"(B) ends at either (i) the point where the route of the transportation enters the United States, or (ii) a port or station in the 225-mile zone; and

"(4) a direct line from the point (or the port or station) specified in paragraph (3) (A), to the point (or the port or station) specified in paragraph (3) (B), passes through or over a point which is not within 225 miles of the United States.

"(c) DEFINITIONS.—For purposes of this section—

"(1) CONTINENTAL UNITED STATES.—The term 'continental United States' means the District of Columbia and the States other than Alaska and Hawaii.

"(2) 225-MILE ZONE.—The term '225-mile zone' means that portion of Canada and Mexico which is not more than 225 miles from the nearest point in the continental United States.

“(3) **UNINTERRUPTED INTERNATIONAL AIR TRANSPORTATION.**—The term ‘uninterrupted international air transportation’ means any transportation by air which is not transportation described in subsection (a) (1) and in which—

“(A) the scheduled interval between (i) the beginning or end of the portion of such transportation which is directly or indirectly from one port or station in the United States to another port or station in the United States and (ii) the end or beginning of the other portion of such transportation is not more than 6 hours, and

“(B) the scheduled interval between the beginning or end and the end or beginning of any two segments of the portion of such transportation referred to in subparagraph (A) (i) is not more than 6 hours.

**“SEC. 4263. EXEMPTIONS.**

“(a) **COMMUTATION TRAVEL, ETC.**—The tax imposed by section 4261 shall not apply to amounts paid for transportation which do not exceed 60 cents, to amounts paid for commutation or season tickets for single trips of less than 30 miles, or to amounts paid for commutation tickets for one month or less.

*Ante*, p. 115.

“(b) **CERTAIN ORGANIZATIONS.**—The tax imposed by section 4261 shall not apply to the payment for transportation or facilities furnished to an international organization, or any corporation created by Act of Congress to act in matters of relief under the treaty of Geneva of August 22, 1864.

22 Stat. 940.

“(c) **MEMBERS OF THE ARMED FORCES.**—The tax imposed by section 4261 shall not apply to the payment for transportation or facilities furnished under special tariffs providing for fares of not more than 2.5 cents per mile applicable to round-trip tickets sold to personnel of the United States Army, Air Force, Navy, Marine Corps, and Coast Guard traveling in uniform of the United States at their own expense when on official leave, furlough, or pass, including authorized cadets and midshipmen, issued on presentation of properly executed certificate.

“(d) **SMALL AIRCRAFT ON NONESTABLISHED LINES.**—The tax imposed by section 4261 shall not apply to transportation by aircraft having—

“(1) a gross takeoff weight (as determined under regulations prescribed by the Secretary or his delegate) of less than 12,500 pounds, and

“(2) a passenger seating capacity of less than ten adult passengers, including the pilot,

except when such aircraft is operated on an established line.

**“SEC. 4264. SPECIAL RULES.**

“(a) **PAYMENTS MADE OUTSIDE THE UNITED STATES FOR PREPAID ORDERS.**—If the payment upon which tax is imposed by section 4261 is made outside the United States for a prepaid order, exchange order, or similar order, the person furnishing the initial transportation pursuant to such order shall collect the amount of the tax.

“(b) **TAX DEDUCTED UPON REFUNDS.**—Every person who refunds any amount with respect to a ticket or order which was purchased without payment of the tax imposed by section 4261 shall deduct from

the amount refundable, to the extent available, any tax due under such section as a result of the use of a portion of the transportation purchased in connection with such ticket or order, and shall report to the Secretary or his delegate the amount of any such tax remaining uncollected.

*Ante*, p. 115.

“(c) **PAYMENT OF TAX.**—Where any tax imposed by section 4261 is not paid at the time payment for transportation is made, then, under regulations prescribed by the Secretary or his delegate, to the extent that such tax is not collected under any other provision of this subchapter—

“(1) such tax shall be paid by the person paying for the transportation or by the person using the transportation;

“(2) such tax shall be paid within such time as the Secretary or his delegate shall prescribe by regulations after whichever of the following first occurs:

“(A) the rights to the transportation expire; or

“(B) the time when the transportation becomes subject to tax; and

“(3) payment of such tax shall be made to the Secretary or his delegate, to the person to whom the payment for transportation was made, or, in the case of transportation other than transportation described in section 4262(a)(1), to any person furnishing any portion of such transportation.

*Ante*, p. 116.

“(d) **APPLICATION OF TAX.**—The tax imposed by section 4261 shall apply to any amount paid within the United States for transportation of any person by air unless the taxpayer establishes, pursuant to regulations prescribed by the Secretary or his delegate, at the time of payment for the transportation, that the transportation is not transportation in respect of which tax is imposed by section 4261.

“(e) **ROUND TRIPS.**—In applying this subchapter to a round trip, such round trip shall be considered to consist of transportation from the point of departure to the destination, and of separate transportation thereafter.

“(f) **TRANSPORTATION OUTSIDE THE NORTHERN PORTION OF THE WESTERN HEMISPHERE.**—In applying this subchapter to transportation any part of which is outside the northern portion of the Western Hemisphere, if the route of such transportation leaves and reenters the northern portion of the Western Hemisphere, such transportation shall be considered to consist of transportation to a point outside such northern portion, and of separate transportation thereafter. For purposes of this subsection, the term ‘northern portion of the Western Hemisphere’ means the area lying west of the 30th meridian west of Greenwich, east of the international dateline, and north of the Equator, but not including any country of South America.”

(c) **CONFORMING AMENDMENTS.**—

(1) The table of subchapters for chapter 33 of such Code is amended by striking out

“SUBCHAPTER C. Transportation of persons.”

and inserting in lieu thereof

“SUBCHAPTER C. Transportation of persons by air.”

(2) Section 6421 of such Code (relating to gasoline used for certain nonhighway purposes or by local transit systems) is amended as follows:

(A) Subsection (b) (relating to use by local transit systems) is amended—

26 USC prec.  
4261.

70 Stat. 394.  
26 USC 6421.

(i) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commuter fare revenue" each place it appears therein; and

(ii) by striking out "(not including the tax imposed by section 4261, relating to the tax on transportation of persons)" each place it appears therein.

(B) Subsection (d)(2) (defining tax-exempt passenger fare revenue) is amended to read as follows:

"(2) COMMUTER FARE REVENUE.—The term 'commuter fare revenue' means revenue attributable to fares derived from the transportation of persons and attributable to—

"(A) amounts paid for transportation which do not exceed 60 cents,

"(B) amounts paid for commutation or season tickets for single trips of less than 30 miles, or

"(C) amounts paid for commutation tickets for one month or less."

(3) Section 6416(b)(2)(H) of such Code (relating to special cases in which tax payments considered overpayments for credit or refund purposes) is amended—

(A) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commuter fare revenue"; and

(B) by striking out "(not including the tax imposed by section 4261, relating to the tax on transportation of persons)".

72 Stat. 1306.  
26 USC 6416.

(d) EFFECTIVE DATES.—The amendment made by subsection (c)(1) shall apply only with respect to transportation beginning after November 15, 1962. The amendments made by subsection (c)(2) shall apply only in respect of claims filed with respect to gasoline used on or after November 16, 1962. The amendments made by subsection (c)(3) shall apply only in respect to the use or sale of special fuels made on or after November 16, 1962.

(e) SPECIAL CREDIT OR REFUND OF TRANSPORTATION TAX.—Notwithstanding any other provision of law, in any case in which tax has been collected—

(1) before November 16, 1962, for or in connection with the transportation of persons which begins on or after November 16, 1962, or

(2) after November 15, 1962, and before July 1, 1963, for or in connection with the transportation of persons by air which begins on or after July 1, 1963,

the person who collected the tax shall pay the same over to the United States; but credit or refund (without interest) of the tax collected in excess of that applicable (by reason of the amendments made by this section) shall be allowed to the person who collected the tax as if such credit or refund were a credit or refund under the applicable provision of the Internal Revenue Code of 1954, but only to the extent that, before the time such transportation has begun, he has repaid the amount of such excess to the person from whom he collected the tax, or has obtained the consent of such person to the allowance of the credit or refund. For the purpose of this subsection, transportation shall not be considered to have begun on or after November 16, 1962, or on or after July 1, 1963, as the case may be, if any part of the transportation paid for (or for which payment has been obligated) commenced before such date.

68A Stat. 3.  
26 USC 1 et seq.

Approved June 28, 1962.



## Public Law 87-509

## AN ACT

June 28, 1962  
[H. R. 8773]

To amend section 265 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1016), relating to lump-sum readjustment payments for members of the reserve components who are involuntarily released from active duty, and for other purposes.

Armed Forces.  
Lump-sum pay-  
ments to reserv-  
ists.  
70 Stat. 517.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 265 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1016), is amended as follows:

(1) Subsection (a) is amended to read as follows:

“(a) A member of a reserve component who is involuntarily released from active duty after the date of enactment of this amended subsection and after having completed immediately prior to such release at least five years of continuous active duty, except for breaks in service of not more than thirty days, as either an officer, warrant officer, or enlisted person, is entitled to a lump-sum readjustment payment computed on the basis of two months’ basic pay in the grade in which he is serving at the time of release from active duty for each year of active service (other than in time of war or of national emergency hereafter declared by Congress) ending at the close of the eighteenth year. However, the readjustment payment of a member who is released from active duty because his performance of duty has fallen below standards prescribed by the appropriate Secretary or because his retention is not clearly consistent with the interests of national security, shall be computed on the basis of one-half of one month’s pay. For the purposes of computing the amount of the readjustment payment, a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded, and any prior period for which readjustment pay has been received under any other provision of law shall be excluded. No person covered by this subsection may be paid a total of more than two years’ basic pay in the grade in which he is serving at the time of release or \$15,000, whichever is the lesser. There shall be deducted from any lump-sum readjustment payment under this subsection any mustering-out pay received under the Mustering-Out Payment Act of 1944, the Veterans’ Readjustment Assistance Act of 1952, or chapter 43 of title 38, United States Code.”

(2) The second sentence of subsection (b) (5) is amended to read as follows: “However, such a person is entitled—

“(A) to receive readjustment pay under this section even though he is also entitled to be paid under section 680 of title 10, United States Code; and

“(B) with respect to severance pay to which he is entitled under any provision of law other than section 680 of that title, to elect either to receive that severance pay or to receive readjustment pay under this section, but not both.”

(3) Subsection (b) (6) is amended to read as follows:

“(6) Except as provided in this clause, a person who upon release from active duty is eligible for disability compensation under laws administered by the Veterans’ Administration. However, such a person may receive readjustment pay under this section in addition to disability compensation subject to deduction from the disability compensation of an amount equal to 75 percent of the readjustment pay. Receipt of readjustment pay shall not deprive a person of any part of any disability compensation to which he may become entitled, on the basis of subsequent service, under laws administered by the Veterans’ Administration.”

72 Stat. 1272,  
1273.  
38 USC 2101-  
2105.  
Active duty.  
70 Stat. 517.

70A Stat. 30.

70 Stat. 517.

(4) Subsection (c) is amended to read as follows:

"(c) A member of a reserve component who has received a readjustment payment under this section after the date of enactment of this amended subsection and who qualifies for retired pay under any provision of title 10 or title 14, United States Code, that authorizes his retirement upon completion of 20 years of active service, may receive that pay subject to the immediate deduction from that pay of an amount equal to 75 percent of the amount of the readjustment payment, without interest."

70 Stat. 518.  
50 USC 1016.

(5) Subsection (e) is repealed.

Repeal.

SEC. 2. Section 680(a) (2) of title 10, United States Code, is amended by striking out the word "or" before the designation "(C)" and inserting before the period at the end the words ", or (D) released because he has been considered at least twice and has not been recommended for promotion to the next higher grade or because he is considered as having failed of selection for promotion to the next higher grade and has not been recommended for promotion to that grade, under conditions that would require the release or separation of a Reserve Officer who is not serving under such agreement".

Release from  
active duty.  
70 A Stat. 30.

SEC. 3. Notwithstanding an election under section 265(b) (6) of the Armed Forces Reserve Act of 1952 (50 U.S.C. 1016(b) (6)), before the date of enactment of this Act, to receive a readjustment payment under that section, any person who made such an election may be awarded disability compensation to which he is otherwise entitled, subject to deduction as provided in that section, as amended by this Act. However, such an award may not become effective for any period before the date of enactment of this Act.

SEC. 4. (a) Sections 1167(d), 3303(d), and 8303(d) of title 10, United States Code, are each amended by inserting the following new sentence at the end thereof: "However, no person is entitled to severance pay under this section in an amount that is more than \$15,000."

70 A Stat. 91,  
188, 514; 74 Stat.  
386, 391.

(b) Sections 6382(c), 6383(f), 6384(b), and 6401(b) of title 10, United States Code, section 437(f) of title 14, United States Code, and sections 112(g) and 212(g) of the Officers Personnel Act of 1947 (61 Stat. 808, 825) are each amended by inserting the following new sentence at the end thereof: "However, no person is entitled to a lump-sum payment under this section that is more than \$15,000."

70 A Stat. 405,  
407, 415, 622.

10 USC 5701  
note.

Approved June 28, 1962.

## Public Law 87-510

### AN ACT

To enable the United States to participate in the assistance rendered to certain migrants and refugees.

June 28, 1962  
[H. R. 8291]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Migration and Refugee Assistance Act of 1962".

Migration and  
Refugee Assist-  
ance Act of 1962.

SEC. 2. (a) The President is hereby authorized to continue membership for the United States in the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of refugees and migrants and to enhance the economic progress of the developing countries by providing for a coordinated supply of selected manpower, there are hereby authorized to be appropriated such amounts as may be necessary from time to time for the

payment by the United States of its contributions to the Committee and all necessary salaries and expenses incident to United States participation in the Committee.

Appropriations.

(b) There are hereby authorized to be appropriated such amounts as may be necessary from time to time—

(1) for contributions to the activities of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate or in behalf of whom he is exercising his good offices;

(2) for assistance to or in behalf of refugees designated by the President (by class, group, or designation of their respective countries of origin or areas of residence) when the President determines that such assistance will contribute to the defense, or to the security, or to the foreign policy interests of the United States;

(3) for assistance to or in behalf of refugees in the United States whenever the President shall determine that such assistance would be in the interest of the United States: *Provided*, That the term "refugees" as herein used means aliens who (A) because of persecution or fear of persecution on account of race, religion, or political opinion, fled from a nation or area of the Western Hemisphere; (B) cannot return thereto because of fear of persecution on account of race, religion, or political opinion; and (C) are in urgent need of assistance for the essentials of life;

(4) for assistance to State or local public agencies providing services for substantial numbers of individuals who meet the requirements of subparagraph (3) (other than clause (C) thereof) for (A) health services and educational services to such individuals, and (B) special training for employment and services related thereto;

(5) for transportation to, and resettlement in, other areas of the United States of individuals who meet the requirements of subparagraph (3) (other than clause (C) thereof) and who, having regard for their income and other resources, need assistance in obtaining such services; and

(6) for establishment and maintenance of projects for employment or refresher professional training of individuals who meet the requirements of subparagraph (3) (other than clause (C) thereof) and, who, having regard for their income and resources, need such employment or need assistance in obtaining such retraining.

(c) Whenever the President determines it to be important to the national interest, not exceeding \$10,000,000 in any fiscal year of the funds made available for use under the Foreign Assistance Act of 1961, as amended, may be transferred to, and consolidated with, funds made available for this Act in order to meet unexpected urgent refugee and migration needs.

(d) The President shall keep the appropriate committees of Congress currently informed of the use of funds and the exercise of functions authorized in this Act.

(e) Unexpended balances of funds made available under authority of the Mutual Security Act of 1954, as amended, and of the Foreign Assistance Act of 1961, as amended, and allocated or transferred for the purposes of sections 405(a), 405(c), 405(d) and 451(c) of the Mutual Security Act of 1954, as amended, are hereby authorized to be continued available for the purposes of this section and may be consolidated with appropriations authorized by this section. Funds appropriated for the purposes of this section shall remain available until expended.

75 Stat. 424.  
22 USC 2151  
note.

68 Stat. 832;  
75 Stat. 424.  
22 USC 1751  
note, 2151 note,  
1925, 1951.

SEC. 3. (a) In carrying out the purpose of this Act, the President is authorized—

(1) to make loans, advances, and grants to, make and perform agreements and contracts with, or enter into other transactions with, any individual, corporation, or other body of persons, government or government agency, whether within or without the United States, and international and intergovernmental organizations;

(2) to accept and use money, funds, property, and services of any kind made available by gift, devise, bequest, grant, or otherwise for such purposes.

(b) Whenever the President determines it to be in furtherance of the purposes of this Act, the functions authorized under this Act may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951 (65 Stat. 7)), as amended, regulating the making, performance, amendment, or modification of contracts and the expenditure of funds of the United States Government as the President may specify.

50 USC app.  
1211 note.

SEC. 4. (a) (1) The President is authorized to designate the head of any department or agency of the United States Government, or any official thereof who is required to be appointed by the President by and with the advice and consent of the Senate, to perform any functions conferred upon the President by this Act. If the President shall so specify, any individual so designated under this subsection is authorized to redelegate to any of his subordinates any functions authorized to be performed by him under this subsection, except the function of exercising the waiver authority specified in section 3(b) of this Act.

Delegation of  
Presidential au-  
thority.

(2) Section 104(b) of the Immigration and Nationality Act (8 U.S.C. 1104(b)), is amended by inserting after the first sentence the following: "He shall be appointed by the President by and with the advice and consent of the Senate."

Bureau of Secu-  
rity and Consular  
Affairs.  
Administrator.  
66 Stat. 174.

(b) The President may allocate or transfer to any agency of the United States Government any part of any funds available for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditure for the purposes for which authorized in accordance with authority granted in this Act or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred. Funds allocated or transferred pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

Transfer of  
funds.

SEC. 5. (a) Funds made available for the purposes of this Act shall be available for—

(1) compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purpose of this Act, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this Act;

(2) employment or assignment of Foreign Service Reserve officers for the duration of operations under this Act;

(3) exchange of funds without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), and loss by exchanges;

60 Stat. 999.

5 USC 170f—  
170t.

(4) expenses authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801 et seq.), not otherwise provided for;

(5) expenses authorized by the Act of August 1, 1956 (70 Stat. 890–892), as amended; and

(6) all other expenses determined by the President to be necessary to carry out the purposes of this Act.

(b) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements and other actions issued, undertaken, or entered into under authority of any provision of law repealed by this Act shall continue in full force and effect until modified, revoked, or superseded under the authority of this Act.

Repeal.

75 Stat. 460.  
22 USC 1925,  
1951.8 USC 1182  
note.

SEC. 6. Subsections (a), (c) and (d) of section 405 of the Mutual Security Act of 1954, as amended, subsection (c) of section 451 of the said Act, and the last sentence of section 2(a) of the Act of July 14, 1960 (74 Stat. 504), are hereby repealed.

SEC. 7. Until the enactment of legislation appropriating funds for activities under this Act, such activities may be conducted with funds made available under section 451(a) of the Foreign Assistance Act of 1961, as amended.

Approved June 28, 1962.

75 Stat. 434.  
22 USC 2261.

## Public Law 87-511

### AN ACT

July 1, 1962  
[S. 1834]

To further amend the Act of August 7, 1946 (60 Stat. 896), as amended, by providing for an increase in the authorization funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and for other purposes.

D. C.  
Hospital facilities.  
72 Stat. 708;  
75 Stat. 197.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6 of the Act of August 7, 1946 (60 Stat. 896), as amended, is amended (1) by striking out "\$40,730,000" and inserting in lieu thereof "\$41,105,000" and (2) by striking out "June 30, 1962" and inserting in lieu thereof "on the last day of the second session of the Eighty-seventh Congress".

Approved July 1, 1962.

## Public Law 87-512

### AN ACT

July 1, 1962  
[H. R. 11990]

To provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

Debt limit, temporary increase.

Ante, p. 23.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended (31 U.S.C. 757b), shall be temporarily increased—

(1) during the period beginning on July 1, 1962, and ending on March 31, 1963, to \$308,000,000,000,

(2) during the period beginning on April 1, 1963, and ending on June 24, 1963, to \$305,000,000,000, and

(3) during the period beginning on June 25, 1963, and ending on June 30, 1963, to \$300,000,000,000.

Approved July 1, 1962.

## Public Law 87-513

## JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1963, and for other purposes.

July 1, 1962  
[H. J. Res. 769]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government, for the fiscal year 1963, namely:*

Continuing ap-  
propriations, 1963.

SEC. 101. (a) (1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1962 and for which appropriations, funds, or other authority would be available in the following appropriation acts for the fiscal year 1963:

Legislative Branch Appropriation Act;

Department of Defense Appropriation Act;

District of Columbia Appropriation Act;

Departments of Labor, and Health, Education, and Welfare Appropriation Act;

Department of the Interior and Related Agencies Appropriation Act; and the

Treasury-Post Office Departments and Executive Office Appropriation Act.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House is different from that which would be available or granted under such Act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority.

(4) Whenever an Act listed in this subsection has been passed by only one House or where an item is included in only one version of an Act as passed by both Houses, the pertinent project or activity shall be continued under the appropriation, fund, or authority, granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower: *Provided*, That no provision which is included in any appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act for the fiscal year 1962, and which by its terms is applicable to more than one appropriation, fund, or authority, shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and Senate.

(b) Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1962 and listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate whichever is lower:

Department of Agriculture and Farm Credit Administration;

Foreign assistance and other activities for which provision was made in the Foreign Assistance and Related Agencies Appropriation Act, 1962;

Agencies for which provision was made in the Independent Offices Appropriation Act, 1962;

Activities for which provision was made in the Public Works Appropriation Act, 1962;

Activities for which provision was made in the Military Construction Appropriation Act, 1962;

Activities for which provision was made in the Departments of State and Justice, the Judiciary and Related Agencies Appropriation Act, 1962;

Department of Commerce;

American Battle Monuments Commission;

Arms Control and Disarmament Agency;

Civil defense and emergency preparedness functions;

Federal Maritime Commission;

Foreign Claims Settlement Commission;

Small Business Administration;

Subversive Activities Control Board;

Tariff Commission;

The Panama Canal;

St. Lawrence Seaway Development Corporation; and

Office of Science and Technology (Executive Office of the President).

(c) Such amounts as may be necessary for continuing projects or activities for which disbursements are made by the Secretary of the Senate, and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for the fiscal year 1963.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) July 31, 1962, whichever first occurs.

SEC. 103. Appropriations and funds made available and authority granted pursuant to this joint resolution may be used without regard to the time limitations set forth in subsection (d) (2) of section 3679 of the Revised Statutes, as amended, and expenditures therefrom shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 104. No appropriation or funds made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity which was not being conducted during the fiscal year 1962. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

Approved July 1, 1962.

## Public Law 87-514

### AN ACT

To continue until the close of June 30, 1963, the suspension of duties for metal scrap, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 2 of the Act of September 30, 1950 (Public Law 869, Eighty-first Congress), is hereby amended by striking out "June 30, 1962" and inserting in lieu thereof "June 30, 1963": *Provided*, That this Act shall not apply to lead scrap, lead alloy scrap, antimonial lead scrap, scrap battery lead or plates, zinc scrap, or zinc alloy scrap,

Post, pp. 254,  
427.

31 USC 665.

July 1, 1962  
[H. R. 10095]

Metal scrap.  
Duty suspension.  
75 Stat. 224.  
19 USC 1001, par.  
301 note.

or to any form of tungsten scrap, tungsten carbide scrap, or tungsten alloy scrap; or to articles of lead, lead alloy, antimonial lead, zinc, or zinc alloy, or to articles of tungsten, tungsten carbide, or tungsten alloy, imported for remanufacture by melting.

SEC. 2. This Act shall not exempt any article provided for in section 4541 of the Internal Revenue Code of 1954 from import taxes imposed thereby. This Act shall not suspend any duty with respect to an article provided for in such section 4541 which is entered, or withdrawn from warehouse, for consumption on or before June 30, 1962 (or, if later, on or before the date of the enactment of this Act).

68A Stat. 541.

Approved July 1, 1962.

## Public Law 87-515

### AN ACT

July 1, 1962  
[S. 3161]

To provide for continuation of authority for regulation of exports, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 12 of the Export Control Act of 1949 is amended by striking out "June 30, 1962" and inserting in lieu thereof "June 30, 1965".

Export Control  
Act of 1949,  
amendment.  
63 Stat. 7;  
74 Stat. 130.  
50 USC app.  
2032.  
50 USC app.  
2021.

SEC. 2. Section 1(b) of the Export Control Act of 1949 is amended to read as follows:

"(b) The unrestricted export of materials without regard to their potential military and economic significance may adversely affect the national security of the United States."

SEC. 3. (a) Section 2 of the Export Control Act of 1949 is amended by inserting "of the United States" immediately before the period at the end thereof.

50 USC app.  
2022.

(b) Section 2 of such Act is further amended by adding at the end thereof the following new paragraph:

"The Congress further declares that it is the policy of the United States to formulate, reformulate, and apply such controls to the maximum extent possible in cooperation with all nations with which the United States has defense treaty commitments, and to formulate a unified commercial and trading policy to be observed by the non-Communist-dominated nations or areas in their dealings with the Communist-dominated nations."

(c) Section 2 of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (b) of this section) the following new paragraph:

"The Congress further declares that it is the policy of the United States to use its economic resources and advantages in trade with Communist-dominated nations to further the national security and foreign policy objectives of the United States."

SEC. 4. Section 3(a) of the Export Control Act of 1949 is amended by adding at the end thereof the following new sentence: "Such rules and regulations shall provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States, if the President shall determine that such export makes a significant contribution to the military or economic potential of such nation or nations which would prove detrimental to the national security and welfare of the United States."

50 USC app.  
2023.



SEC. 5. Section 5 of the Export Control Act of 1949 is amended to read as follows:

“VIOLATIONS

50 USC app.  
2025.

“SEC. 5. (a) Except as provided in subsection (b) of this section, in case of any violation of any provision of this Act or any regulation, order, or license issued hereunder, the violator or violators, upon conviction, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than one year, or by both such fine and imprisonment. For a second or subsequent offense, the offender shall be punished by a fine of not more than three times the value of the exports involved or \$20,000, whichever is greater, or by imprisonment for not more than five years, or by both such fine and imprisonment.

“(b) Whoever willfully exports any material contrary to any provision of this Act or any regulation, order, or license issued hereunder, with knowledge that such exports will be used for the benefit of any Communist-dominated nation, shall be punished by a fine of not more than five times the value of the exports involved or \$20,000, whichever is greater, or by imprisonment for not more than five years, or by both such fine and imprisonment.”

Approved July 1, 1962.

Public Law 87-516

AN ACT

July 2, 1962  
[H. R. 3444]

To approve an order of the Secretary of the Interior adjusting, deferring, and canceling certain irrigation charges against non-Indian-owned lands under the Wind River Indian irrigation project, Wyoming, and for other purposes.

Wind River Indian  
irrigation project,  
Wyo.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in accordance with the provisions of the Act of June 22, 1936 (49 Stat. 1803, 25 U.S.C. 389–389e), the order of the Secretary of the Interior canceling \$36,439.70 of delinquent irrigation charges, plus accrued interest thereon, and providing for the deferred payment of \$8,706.27, as shown on schedules A, B, and C, which are referred to in such order, is hereby approved: *Provided*, That the cancellation of \$2,093.14 under schedule B shall not become effective until the landowners have executed contracts as provided in the Act of June 22, 1936, agreeing to pay the balance of such delinquent charges amounting to \$1,556.40.

Approved July 2, 1962.

Public Law 87-517

JOINT RESOLUTION

July 2, 1962  
[S. J. Res. 192]

Providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

Smithsonian Institution.  
Board of Regents.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, be filled by the appointment of William A. M. Burden, a citizen of New York, for the statutory term of six years, to succeed Arthur H. Compton, deceased.

Approved July 2, 1962.

## Public Law 87-518

## AN ACT

July 2, 1962  
[S. 860]

To provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That as used in this Act unless the context indicates otherwise—

Agriculture.  
Livestock and  
poultry diseases.  
Definitions.

(a) The term "Secretary" means the Secretary of Agriculture.

(b) The term "animals" means all members of the animal kingdom including birds, whether domesticated or wild, but not including man.

(c) The term "United States" means the States, Puerto Rico, Guam, the Virgin Islands of the United States, and the District of Columbia.

(d) The term "interstate" means from a State or other area included in the definition of "United States" to or through any other State or other such area.

Authority.

SEC. 2. (a) The Secretary, whenever he deems it necessary in order to guard against the introduction or dissemination of a communicable disease of livestock or poultry, may seize, quarantine, and dispose of, in a reasonable manner taking into consideration the nature of the disease and the necessity of such action to protect the livestock or poultry of the United States: (1) any animals which he finds are moving or are being handled or have moved or have been handled in interstate or foreign commerce contrary to any law or regulation administered by him for the prevention of the introduction or dissemination of any communicable disease of livestock or poultry; (2) any animals which he finds are moving into the United States, or interstate, and are affected with or have been exposed to any communicable disease dangerous to livestock or poultry; and (3) any animals which he finds have moved into the United States, or interstate, and at the time of such movement were so affected or exposed.

(b) Whereas the existence of any dangerous, communicable disease of livestock or poultry, such as foot-and-mouth disease, rinderpest, or European fowl pest, on any premises in the United States would constitute a threat to livestock and poultry of the Nation and would seriously burden interstate and foreign commerce, whenever the Secretary determines that an extraordinary emergency exists because of the outbreak of such a disease anywhere in the United States, and that such outbreak threatens the livestock or poultry of the United States, he may seize, quarantine, and dispose of, in such manner as he deems necessary or appropriate, any animals in the United States which he finds are or have been affected with or exposed to any such disease and the carcasses of any such animals and any products and articles which he finds were so related to such animals as to be likely to be a means of disseminating any such disease: *Provided*, That action shall be taken under this subsection only if the Secretary finds that adequate measures are not being taken by the State or other jurisdiction. The Secretary shall notify the appropriate official of the State or other jurisdiction before any action is taken in any such State or other jurisdiction pursuant to this subsection.

Limitation.

Notice.

(c) The Secretary in writing may order the owner of any animal, carcass, product, or article referred to in subsection (a) or (b) of this section, or the agent of such owner, to maintain in quarantine and to dispose of such animal, carcass, product, or article in such manner as the Secretary may direct pursuant to authority vested in him by such subsections. If such owner or agent fails to do so after receipt of such notice, the Secretary may take action as authorized by said subsections (a) and (b) and recover from such owner or agent the

reasonable costs of any care, handling, and disposal incurred by the Secretary in connection therewith. Such costs shall not constitute a lien against the animals, carcasses, products, or articles involved. Costs collected under this section shall be credited to the current appropriation for carrying out animal disease control activities of the Department.

Compensation.

(d) Except as provided in subsection (e) of this section, the Secretary shall compensate the owner of any animal, carcass, product, or article destroyed pursuant to the provisions of this section. Such compensation shall be based upon the fair market value as determined by the Secretary, of any such animal, carcass, product, or article at the time of the destruction thereof. Compensation paid any owner under this subsection shall not exceed the difference between any compensation received by such owner from a State or other source and such fair market value of the animal, carcass, product, or article. Funds in the Treasury available for carrying out animal disease control activities of the Department of Agriculture shall be used for carrying out this subsection.

(e) No such payment shall be made by the Secretary for any animal, carcass, product, or article which has been moved or handled by the owner thereof or his agent knowingly in violation of a law or regulation administered by the Secretary for the prevention of the interstate dissemination of the communicable disease, for which the animal, carcass, product, or article was destroyed or a law or regulation for the enforcement of which the Secretary enters or has entered into a cooperative agreement for the control and eradication of such disease, or for any animal which has moved into the United States contrary to such law or regulation administered by the Secretary for the prevention of the introduction of a communicable disease of livestock or poultry.

Regulations,  
promulgation.

SEC. 3. The Secretary, in order to protect the health of the livestock or poultry of the Nation, may promulgate regulations requiring that railway cars; vessels; airplanes; trucks; and other means of conveyance; stockyards; feed, water, and rest stations; and other facilities, used in connection with the movement of animals into or from the United States, or interstate, be maintained in a clean and sanitary condition, including requirements for inspection, cleaning, and disinfection.

SEC. 4. The Secretary is authorized to promulgate regulations prohibiting or regulating the movement into the United States of any animals which are or have been affected with or exposed to any communicable animal disease, or which have been vaccinated or otherwise treated for any such disease, or which he finds would otherwise be likely to introduce or disseminate any such disease, when he determines that such action is necessary to protect the livestock or poultry of the United States.

Inspections and  
seizures.

SEC. 5. Employees of the Department of Agriculture designated by the Secretary for the purpose, when properly identified, shall have authority (1) to stop and inspect, without a warrant, any person or means of conveyance, moving into the United States from a foreign country, to determine whether such person or means of conveyance is carrying any animal, carcass, product, or article regulated or subject to disposal under any law or regulation administered by the Secretary for prevention of the introduction or dissemination of any communicable animal disease; (2) to stop and inspect, without a warrant, any means of conveyance moving interstate upon probable cause to believe that such means of conveyance is carrying any animal, carcass, product, or article regulated or subject to disposal under any law or

regulation administered by the Secretary for the prevention of the introduction or dissemination of any communicable animal disease; and (3) to enter upon, with a warrant, any premises for the purpose of making inspections and seizures necessary under such laws and regulations. Any Federal judge, or any judge of a court of record in the United States, or any United States commissioner, may, within his jurisdiction, upon proper oath or affirmation indicating probable cause to believe that there is on certain premises any animal, carcass, product, or article regulated or subject to disposal under any law or regulation administered by the Secretary for the prevention of the introduction or dissemination of any communicable animal disease, issue warrants for the entry upon such premises and for inspections and seizures necessary under such laws and regulations. Such warrants may be executed by any authorized employee of the Department of Agriculture.

SEC. 6. (a) Whoever knowingly violates any regulation promulgated pursuant to the provisions of sections 1 through 5 of this Act shall be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding one year, or both.

Penalties.

(b) The Secretary may bring an action to enjoin the violation of, or to compel compliance with, any regulation promulgated or order issued under said sections, or to enjoin any interference by any person with an employee of the Department of Agriculture in carrying out any duties under said sections, whenever the Secretary has reason to believe that such person has violated, or is about to violate, any such regulation or order, or has interfered, or is about to interfere, with any such employee. Such action shall be brought in the United States district court, or the United States court of any Territory or possession, for the judicial district in which such person resides or transacts business or in which the violation, omission, or interference has occurred or is about to occur. Process in such cases may be served in any judicial district wherein the defendant resides or transacts business or wherever the defendant may be found, and subpoenas for witnesses who are required to attend the court in any judicial district in any such cases may run into any other judicial district.

Enforcement provisions.

SEC. 7. Section 11 of the Act of May 29, 1884 (58 Stat. 734),<sup>r</sup> as amended (21 U.S.C. 114a), is further amended by inserting the words "any communicable diseases of livestock or poultry, including, but not limited to," after the word "eradicate".

70 Stat. 1032.

SEC. 8. (a) The first section of the Act of March 3, 1905 (33 Stat. 1264), as amended (21 U.S.C. 123), is further amended by striking out the phrase "cattle or other livestock" and inserting in lieu thereof the words "any animals", and by inserting after the word "disease" the words "of livestock or poultry or that the contagion of any such disease exists or that vectors which may disseminate any such disease exist in such State or Territory or the District of Columbia".

(b) Sections 2, 3, and 4 of such Act (33 Stat. 1264, 1265), as amended (21 U.S.C. 124, 125, 126), are further amended by striking out the phrase "cattle or other livestock" each time such phrase appears in those sections and inserting in lieu thereof the words "quarantined animals".

SEC. 9. The first proviso under the heading "General Expenses, Bureau of Animal Industry" in the Act entitled "An Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and fifteen", approved June 30, 1914 (38 Stat. 419), as amended (21 U.S.C. 128), is further amended by striking out the phrase "cattle or other livestock" and inserting in lieu thereof the words "quarantined animals".

65 Stat. 721.

SEC. 10. Section 1114 of title 18 of the United States Code is amended by inserting after "wild birds and animals," the following: "any employee of the Department of Agriculture designated by the Secretary of Agriculture to carry out any law or regulation, or to perform any function in connection with any Federal or State program or any program of Puerto Rico, Guam, the Virgin Islands of the United States, or the District of Columbia, for the control or eradication or prevention of the introduction or dissemination of animal diseases,".

Regulations.

SEC. 11. The Secretary is authorized to issue such regulations as he deems necessary to carry out the provisions of this Act.

SEC. 12. The authority conferred by this Act shall be in addition to authority conferred by other statutes. Any provision of any other Act inconsistent with the provisions of this Act is hereby repealed.

Separability.

SEC. 13. If any provision of this Act or application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

Approved July 2, 1962.

## Public Law 87-519

July 2, 1962  
[H. R. 11057]

### AN ACT

To declare that the United States holds certain lands on the Eastern Cherokee Reservation in trust for the Eastern Band of Cherokee Indians of North Carolina.

Eastern Band of  
Cherokee Indians,  
N. C.  
Trust lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all of the right, title, and interest of the United States in the following lands and improvements thereon, which are a part of the Long Blanket tracts, situated within the Eastern Cherokee Reservation, formerly acquired for school purposes, is hereby declared to be held by the United States of America in trust for the Eastern Band of Cherokee Indians of North Carolina:

### PARCEL NO. 1

Starting at a concrete monument with brass cap marked school tract corner 5, 1950;

thence north 45 degrees 00 minutes west 542.8 feet to a concrete monument with brass cap marked school tract corner numbered 4, 1950, beside a large mountain oak tree; thence north 26 degrees 20 minutes east 314.1 feet to a point; thence south 77 degrees 51 minutes east 127.4 feet up a ridge to a point;

thence continuing along the ridge south 83 degrees 10 minutes east 67.3 feet to a point; thence continuing along the ridge south 70 degrees 40 minutes east 85.1 feet to a point; thence south 41 degrees 40 minutes east 245.0 feet to a point; thence down the ridge south 19 degrees 40 minutes east 83.3 feet, to a point;

thence south 9 degrees 20 minutes west, 351.4 feet, to south side of gravel road right-of-way to a point; thence continuing along the right-of-way of said gravel road south 77 degrees 32 minutes east, 150.5 feet, to a point;

thence south 86 degrees 36 minutes east 166.7 feet to a point;  
thence south 71 degrees 07 minutes east 69.4 feet to a point of  
the intersection of two gravel roads; thence continuing along the  
right-of-way of said road south 33 degrees 48 minutes east 98.9  
feet to a point;

thence leaving said road north 75 degrees 35 minutes west 376.1  
feet to a point; thence north 74 degrees 45 minutes west 242.6 feet  
to the point of beginning, containing 12.11 acres, more or less.

PARCEL NO. 2

Starting at a one and one half-inch iron pipe beside a concrete  
monument with brass cap marked "T.R. 6, Cor. 1, 1950", and running  
north 17 degrees 00 minutes east 145.1 feet to the point of beginning  
on the northeast right-of-way of United States Highways 19 and 441;

thence north 75 degrees 00 minutes west 150.5 feet to the east  
right-of-way at the intersection of United States Highways 19  
and 441; thence continuing along the right-of-way north 12  
degrees 45 minutes west 70.6 feet to a point;

thence north 3 degrees 31 minutes east 157.6 feet to a point;  
thence north 10 degrees 43 minutes east 654.8 feet to a point;  
thence north 19 degrees 22 minutes east 191.2 feet to a point;  
thence north 28 degrees 18 minutes 40 seconds east 254.7 feet to  
a point; thence north 35 degrees 05 minutes east 164.3 feet to  
a point; thence north 46 degrees 39 minutes 10 seconds east 370.3  
feet to a point;

thence leaving the right-of-way and running south 17 degrees  
00 minutes west, 1,786.7 feet, to the point of beginning, containing  
8.50 acres, more or less.

PARCEL NO. 3

Beginning at a point on the east right-of-way of the agency road,  
at the end of a culvert that comes under the agency roadway, and  
running with Small Branch north 75 degrees 22 minutes east 530.4  
feet to a point;

thence with said branch south 59 degrees 45 minutes east 81.2  
feet to a point on the right-of-way of United States Highway 441;  
thence along said right-of-way south 12 degrees 50 minutes west  
215.4 feet to a point on the intersection of rights-of-way of United  
States Highways 441 and 19;

thence following the right-of-way of United States Highway  
19, north 84 degrees 18 minutes west 529.8 feet to a point at the  
intersection of the agency road right-of-way; thence following  
right-of-way of the agency road north 7 degrees 41 minutes west  
64.9 feet to the point of beginning; containing 2.1 acres, more  
or less.

SEC. 2. The Indian Claims Commission is directed to determine in  
accordance with the provisions of section 2 of the Act of August 13,  
1946 (60 Stat. 1050), the extent to which the value of the title con-  
veyed by this Act should or should not be set off against any claim  
against the United States determined by the Commission.

Indian Claims  
Commission.

25 USC 70a.

Approved July 2, 1962.

## Public Law 87-520

## AN ACT

To extend the Renegotiation Act of 1951, and for other purposes.

July 3, 1962  
[H. R. 12061]

Renegotiation  
Act of 1951, extension.  
73 Stat. 210.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 102(c) (1) of the Renegotiation Act of 1951, as amended (50 U.S.C. App. 1212(c) (1)), is amended by striking out "June 30, 1962" and inserting in lieu thereof "June 30, 1964".

70 Stat. 791.

SEC. 2. (a) Section 108A of the Renegotiation Act of 1951, as amended (50 U.S.C., App., sec. 1218a), is amended to read as follows:  
"SEC. 108A. REVIEW OF TAX COURT DECISIONS IN RENEGOTIATION CASES.

62 Stat. 928.

65 Stat. 21.  
50 USC app. 1218.

"(a) JURISDICTION.—Except as provided in section 1254 of title 28 of the United States Code, the United States Courts of Appeals shall have exclusive jurisdiction to review decisions by the Tax Court of the United States under section 108 of this Act in the same manner and to the same extent as decisions of the district courts in civil actions tried without a jury, except as otherwise provided in this section. In no case shall the question of the existence of excessive profits, or the extent thereof, be reviewed, and findings of fact by the Tax Court shall be conclusive unless such findings are arbitrary or capricious. The judgment of any such court shall be final except that it shall be subject to review, under the limitations herein provided for, by the Supreme Court of the United States upon certiorari, in the manner provided in section 1254 of title 28 of the United States Code.

"(b) POWERS.—Upon such review, such courts shall have only the power to affirm the decision of the Tax Court or to reverse such decision on questions of law and remand the case for such further action as justice may require, except that such court shall not reverse and remand the case for error of law which is immaterial to the decision of the Tax Court.

"(c) VENUE OF APPEALS FROM TAX COURT DECISIONS IN RENEGOTIATION CASES.—A decision of the Tax Court of the United States under section 108 of this Act may, to the extent subject to review, be reviewed by—

"(1) the United States Court of Appeals for the circuit in which is located the office to which the contractor or subcontractor made his Federal income tax return for the taxable year which corresponds to the fiscal year with respect to which such decision of the Tax Court was made, or if no such return was made for such taxable year, then by the United States Court of Appeals for the District of Columbia, or

"(2) any United States Court of Appeals designated by the Attorney General and the contractor or subcontractor by stipulation in writing."

(b) The second sentence of section 108 of such Act is amended to read as follows: "Upon such filing, such court shall have exclusive jurisdiction, by order, to determine the amount, if any, of such excessive profits received or accrued by the contractor or subcontractor, and such determination shall not be reviewed or redetermined by any court or agency except as provided in section 108A."

(c) Section 105(b) (2) of such Act is amended by striking out the last sentence thereof.

(d) The amendments made by this section shall apply only with respect to cases in which the petition for redetermination is filed with the Tax Court of the United States after the date of the enactment of this Act.

Approved July 3, 1962.

Supra.

50 USC app.  
1215.

Effective date.

## Public Law 87-521

## AN ACT

July 3, 1962  
[S. 3062]

To amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 107(a) (3) of the Soil Bank Act is amended by changing the period at the end thereof to a comma and adding the following: "and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster."

Soil Bank Act,  
amendment.  
70 Stat. 191;  
75 Stat. 129.  
7 USC 1831.

Approved July 3, 1962.

## Public Law 87-522

## AN ACT

July 3, 1962  
[S. 3266]

To amend section 2 of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, as amended (2 U.S.C. 158), relating to deposits with the Treasurer of the United States of gifts and bequests to the Library of Congress and to raise the statutory limitation provided for in that section.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, as amended (2 U.S.C. 158), is further amended by striking out "\$5,000,000" at the end of the section and inserting in lieu thereof "\$10,000,000".

43 Stat. 1107;  
49 Stat. 1205.

Approved July 3, 1962.

## Public Law 87-523

## AN ACT

July 5, 1962  
[S. 3063]

To incorporate the Metropolitan Police Relief Association of the District of Columbia.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Clarence H. Lutz, Francis Conley, Garland B. Waters, William G. Schenck, Lawrence D. Johnson, Anthony A. Cuzzo, Lester W. Hebbard, and Royce L. Givens are hereby created and declared to be a body corporate by the name of "Metropolitan Police Relief Association of the District of Columbia" (hereinafter in this Act referred to as the "corporation"), and by such name shall be known and have perpetual succession and the powers and limitations contained in this Act.

Metropolitan Po-  
lice Relief Associa-  
tion of the District  
of Columbia.  
Incorporation.



## COMPLETION OF ORGANIZATION

SEC. 2. The persons named in the first section of this Act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

## OBJECT AND PURPOSE OF CORPORATION

SEC. 3. The corporation shall not be conducted for profit but shall have as its object and purpose, upon the payment of specified amounts, the payment of death benefits with respect to (1) persons who are or have been officers or members of the Metropolitan Police force of the District of Columbia, (2) wives of persons who are or have been officers or members of the Metropolitan Police force of the District of Columbia, and (3) persons who are or have been employees of the District of Columbia assigned to the Metropolitan Police Department.

## CORPORATE POWERS

SEC. 4. The corporation shall have power—

(1) to enter into contracts with those persons described in section 3 of this Act to pay death benefits not to exceed \$1,500 with respect to such persons;

(2) to issue certificates of membership as evidence of the contracts referred to in paragraph (1);

(3) to collect specified amounts with respect to contracts for the payment of death benefits;

(4) to sue and be sued in any court of competent jurisdiction;

(5) to choose such officers, directors, managers, agents, and employees as the business of the corporation may require;

(6) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the provisions of this Act, the laws of the United States, and the laws in force in the District of Columbia for the management of its property and regulation of its affairs;

(7) to contract and be contracted with;

(8) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the object and carrying into effect the purpose of the corporation subject to applicable provisions of law in force in the District of Columbia;

(9) to transfer, encumber, and convey real or personal property;

(10) to adopt, alter, and use a corporate seal;

(11) to borrow money for the purposes of the corporation, issue bonds therefor, and secure such bonds, subject to the laws of the United States, and the laws in force in the District of Columbia;

(12) to invest the funds of the corporation only in such securities as the United States District Court for the District of Columbia may approve, from time to time, for the investment of funds by fiduciaries operating under its jurisdiction; and

(13) to do any and all acts and things necessary and proper to carry out the object and purpose of the corporation.

## MEMBERSHIP; VOTING RIGHTS

SEC. 5. (a) Eligibility for membership in the corporation and the rights and privileges of members of the corporation shall, except as provided in this Act, be determined by the constitution and bylaws of the corporation.

(b) Only members of the corporation shall have the right to vote on matters submitted to a vote at meetings of members of the corporation. Each member of the corporation shall have only one vote with respect to matters submitted to a vote at meetings of members of the corporation.

## BOARD OF DIRECTORS; COMPOSITION, RESPONSIBILITIES

SEC. 6. (a) Upon enactment of this Act, the membership of the board of directors of the corporation shall consist of those persons named in the first section of this Act. Such persons shall remain on the board of directors of the corporation for a period of one year from the date of enactment of this Act.

(b) After one year from the date of enactment of this Act, the board of directors of the corporation shall be composed of (1) one officer or member from each precinct, bureau, and division of the Metropolitan Police force of the District of Columbia (who is a certificate holder of the corporation) elected by a majority vote of the certificate holders of the corporation who are assigned to the precinct, bureau, or division from which such officer or member is elected; (2) one member of the White House Police force (who is a certificate holder of the corporation) elected by a majority vote of the certificate holders of the corporation who are members of the White House Police force; and (3) one member of the Retired Men's Association of the Metropolitan Police Department (who is a certificate holder of the corporation) elected by a majority vote of the certificate holders of the corporation who are members of such association.

(c) The board of directors shall be the governing board of the corporation and shall be responsible for the general policies and program of the corporation. The board of directors may appoint from among its membership such committees as it may deem advisable to carry out the affairs of the corporation, including an executive committee and an investment committee.

(d) The board of directors shall make and adopt such bylaws for the conduct of the corporation as it may deem necessary and proper which are consistent with the terms of this Act.

## OFFICERS OF THE CORPORATION

SEC. 7. (a) The officers of the corporation shall be a chairman of the board of directors who shall also be the president of the corporation, a vice president, a secretary-treasurer, and an assistant secretary-treasurer. The duties of the officers of the corporation shall be as prescribed in the constitution and bylaws of the corporation.

(b) Before entering upon his duties as secretary-treasurer or as assistant secretary-treasurer, each such officer shall be required to give a good and sufficient surety bond to the corporation in the amount of \$10,000, conditioned upon the faithful performance of his duties. For the purposes of this section the term "faithful performance of his duties" shall include the proper accounting for all funds and property received by reason of the position or employment of the individual so bonded and all duties and responsibilities imposed upon such individual by this Act and by the constitution and bylaws of the corporation.

(c) The board of directors shall elect the officers of the corporation in such manner as may be prescribed by the constitution and bylaws of the corporation.

#### USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, except as payment of death benefits or as remuneration for services which remuneration for services must be approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to an officer, director, or employee of the corporation, and any officer who participates in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

(c) No director or officer of the corporation shall receive any money or valuable thing for negotiating, procuring, recommending, or aiding in any purchase by or sale to the corporation of any property, or any loan from the corporation, nor be pecuniarily interested, either as principal, coprincipal, agent, or beneficiary, in any such purchase, sale, or loan, nor shall the financial obligation of any such director or officer be guaranteed by the corporation in any capacity: *Provided*, That nothing herein contained shall prevent any such director or officer from receiving a fee for serving on any committee that passes on the investments of the corporation.

#### NONPOLITICAL NATURE OF CORPORATION

SEC. 9. The corporation, and its officers, directors, and duly appointed agents, as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

#### LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 10. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

#### CHARITABLE CORPORATION, NOT SUBJECT TO INSURANCE LAWS OF THE DISTRICT OF COLUMBIA

SEC. 11. The corporation created by this Act is declared to be a benevolent and charitable corporation, and all of the funds and property of such corporation shall be exempt from taxation, other than taxation on the real property of the corporation. Such corporation shall not be subject to the laws regulating the business of insurance in the District of Columbia.

#### BOOKS AND RECORDS; INSPECTION

SEC. 12. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors; and it shall also keep a record of the names of its members. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose, at any reasonable time.

## FILING WITH THE BOARD OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA

SEC. 13. (a) The corporation shall file, with the Board of Commissioners of the District of Columbia or an agent designated by the Board, a copy of its bylaws and copies of the forms of contracts to be offered to eligible persons.

(b) The accounts of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and the full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(c) A report of such audits shall be made by the corporation to the Board of Commissioners of the District of Columbia or an agent designated by the Board not later than six months following the close of such fiscal year for which the audit is made. The report shall set forth the scope of the audit and shall include verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expenses, and (5) sources and application of funds. Such report shall also include a statement of the operations of the corporation for such fiscal year.

(d) If the Board of Commissioners of the District of Columbia or an agent designated by the Board for such purpose shall have reason to believe that the corporation is not complying with the provisions of this Act, or is being operated for profit, or is being fraudulently conducted, they shall cause to be instituted the necessary proceedings to require compliance with this Act, or to enjoin such improper conduct.

## TRANSFER OF CONTRACTS, OBLIGATIONS, AND ASSETS

SEC. 14. The corporation is authorized and empowered to take over, assume, and carry out all contracts, obligations, and assets of the corporation heretofore organized and now doing business in the District of Columbia under the name of the Metropolitan Police Relief Association of the District of Columbia, upon discharging or satisfactorily providing for the payment and discharge of all liability of such corporation and upon complying with all laws in force in the District of Columbia applicable thereto.

## AGENT IN DISTRICT OF COLUMBIA

SEC. 15. The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the corporation, and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

## RESERVATION OF RIGHT TO ALTER, AMEND, OR REPEAL CHARTER

SEC. 16. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved July 5, 1962.

## Public Law 87-524

July 9, 1962  
[H. R. 9822]

## AN ACT

To provide that lands within the exterior boundaries of a national forest acquired under section 8 of the Act of June 28, 1934, as amended (43 U.S.C. 315g), may be added to the national forest.

National forest  
lands.

49 Stat. 1976.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That lands heretofore or hereafter acquired under section 8 of the Act of June 28, 1934 (48 Stat. 1272), as amended (43 U.S.C. 315g), which are within the exterior boundaries of a national forest and which are determined by the Secretary of Agriculture to be suitable for administration as a part of the national forest may be set apart and reserved by the Secretary of the Interior by public land order as a part of such national forest. Lands so set apart and reserved shall be subject to the laws, rules, and regulations applicable to lands set apart and reserved from the public domain within such national forest.

Approved July 9, 1962.

## Public Law 87-525

July 10, 1962  
[H. R. 8982]

## AN ACT

Authorizing the Dow Chemical Company to construct, maintain, and operate a bridge across the Rio Grande at or near Heath Crossing, Texas.

Bridge construction.  
Heath Crossing,  
Tex.

34 Stat. 84.  
33 USC 491 note.

Toll rates and  
charges.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Dow Chemical Company, a Delaware corporation with a permit to do business in Texas, is authorized to construct, maintain, and operate a bridge and approaches thereto across the Rio Grande, so far as the United States has jurisdiction over such river, at a point suitable to the interests of navigation, at or near Heath Crossing, Texas, located between Stillwell Creek and Horse Canyon, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to (1) the conditions and limitations contained in this Act, (2) the approval of the International Boundary and Water Commission, United States and Mexico, and (3) the approval of the proper authorities in the Republic of Mexico.

SEC. 2. The Dow Chemical Company for a period of sixty-six years from the date of completion of such bridge may fix and charge tolls for transit over such bridge in accordance with any laws of the State of Texas or the United States applicable thereto, and the rates of toll so fixed shall be the legal rates until changed under the authority contained in the Act of March 23, 1906, referred to in the first section.

SEC. 3. Notwithstanding the provisions of section 6 of the Act of March 23, 1906 (33 U.S.C. 496), this Act shall be null and void unless the actual construction of the bridge referred in the first section of this Act is commenced within one year and completed within three years from the date of enactment of this Act.

SEC. 4. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved July 10, 1962.

## Public Law 87-526

## AN ACT

July 10, 1962  
[S. 2107]

To amend title 14, United States Code, entitled "Coast Guard", to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 14, United States Code, is amended as follows:

Coast Guard.

(1) Section 461 is amended—

68 Stat. 1238.

(A) By amending the heading to read as follows:

**"§ 461. Pay and allowances; pay of officers indebted to the United States; remission of indebtedness of enlisted members"**

(B) By adding at the end thereof the following new subsection:

"(c) If he considers it in the best interest of the United States, the Secretary of the Treasury may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge."

(2) The analysis of chapter 13 is amended by striking out the following item:

14 USC 461-511.

"461. Pay and allowances; pay of officers indebted to United States."

and inserting the following item in place thereof:

"461. Pay and allowances; pay of officers indebted to the United States; remission of indebtedness of enlisted members."

(3) Section 495 is repealed.

Repeal.  
63 Stat. 535.  
14 USC 495.

(4) The analysis of chapter 13 is amended by striking out the following item:

"495. Additional pay for holders of medals."

(5) Section 496 is amended to read as follows:

14 USC 496.

**"§ 496. Time limit on award; report concerning deed"**

"(a) No medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof may be awarded to a person unless—

"(1) the award is made within five years after the date of the deed or service justifying the award;

"(2) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by his superior through official channels within three years from the date of that deed or termination of the service.

"(b) If the Secretary determines that—

"(1) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by the person's superior through official channels within three years from the date of that deed or termination of the service and was supported by sufficient evidence within that time; and

"(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted upon; a medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof, as the case may be, may be awarded to the person within two years after the date of that determination."

14 USC 631-654.

(6) Chapter 17 is amended by adding the following new section after section 654:

**"§ 655. Arms and ammunition; immunity from taxation**

"No tax on the sale or transfer of firearms, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the United States Coast Guard."

(7) The analysis of chapter 17 is amended by adding the following new item thereto:

"655. Arms and ammunition; immunity from taxation."

Approved July 10, 1962.

**Public Law 87-527**

**AN ACT**

July 10, 1962  
[S. 3025]

To supplement certain provisions of Federal law incorporating the Texas and Pacific Railway Company in order to give certain additional authority to such company.

Texas and Pa-  
cific Railway  
Company.

Acquisition of  
stock from other  
carriers.  
24 Stat. 379.  
49 USC 1 et  
seq.

Capital stock  
increase.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in addition to the powers conferred by the Act entitled "An Act to incorporate the Texas Pacific Railroad Company and to aid in the construction of its road, and for other purposes", approved March 3, 1871 (16 Stat. 573), as supplemented by the Act of May 2, 1872 (17 Stat. 59), the Act of March 3, 1873 (17 Stat. 598), the Act of June 22, 1874 (18 Stat. 197), and the Act of February 9, 1923 (42 Stat. 1223), The Texas and Pacific Railway Company shall have the right and authority, subject to the provisions of the Interstate Commerce Act and any Acts supplemental thereto, to acquire securities or stock of, or property from, any other carrier.

SEC. 2. The capital stock of The Texas and Pacific Railway Company, heretofore fixed by its board of directors pursuant to the provisions of the Act of February 9, 1923, at \$75,000,000 may be increased at any time in such amounts as do not result in more than \$100,000,000 of such company's capital stock outstanding and as are agreed to by resolution of its board of directors duly adopted in accordance with such company's bylaws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as such bylaws require. The provisions of the Act of February 9, 1923, with respect to the additional capital stock authorized by such Act (except with respect to the aggregate amount thereof), shall be applicable to the additional capital stock authorized by this Act and, in addition thereto, the par value of the capital stock of said company and the number of shares thereof shall, subject to the limitations of this Act, be in such amount as may be determined from time to time by resolution of such company's board of directors duly adopted in accordance with such company's bylaws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as such bylaws require.

SEC. 3. All power and authority granted to The Texas and Pacific Railway Company by this Act, the Act incorporating such company, and Acts supplemental thereto, shall be subject to the provisions of the Interstate Commerce Act and any Acts supplemental thereto.

Approved July 10, 1962.

## Public Law 87-528

## AN ACT

July 10, 1962  
[S. 1969]

To amend the Federal Aviation Act of 1958, as amended, to provide for supplemental air carriers, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301) is amended by redesignating paragraphs (32) and (33) as (34) and (35), respectively, and by inserting immediately after paragraph (31) the following new paragraphs:

Federal Aviation Act of 1958, amendment.  
72 Stat. 737.

“(32) ‘Supplemental air carrier’ means an air carrier holding a certificate of public convenience and necessity authorizing it to engage in supplemental air transportation.

Definitions.

“(33) ‘Supplemental air transportation’ means charter trips in air transportation, other than the transportation of mail by aircraft, rendered pursuant to a certificate of public convenience and necessity issued pursuant to section 401(d)(3) of this Act to supplement the scheduled service authorized by certificates of public convenience and necessity issued pursuant to sections 401(d)(1) and (2) of this Act.”

49 USC 137L

SEC. 2. Subsection (d) of section 401 of the Federal Aviation Act of 1958 (49 U.S.C. 1371(d)) is amended by adding at the end thereof the following new paragraph:

“(3) In the case of an application for a certificate to engage in supplemental air transportation, the Board may issue a certificate, to any applicant not holding a certificate under paragraph (1) or (2) of this subsection, authorizing the whole or any part thereof, and for such periods, as may be required by the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform the transportation covered by the application and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder. Any certificate issued pursuant to this paragraph shall contain such limitations as the Board shall find necessary to assure that the service rendered pursuant thereto will be limited to supplemental air transportation as defined in this Act.”

Supplemental air carriers.  
Issuance of certificates.

SEC. 3. Subsection (e) of section 401 of the Federal Aviation Act of 1958 (49 U.S.C. 1371(e)) is amended to read as follows:

Terms and conditions.

“TERMS AND CONDITIONS OF CERTIFICATE

“(e) (1) Each certificate issued under this section shall specify the terminal points and intermediate points, if any, between which the air carrier is authorized to engage in air transportation and the service to be rendered; and there shall be attached to the exercise of the privileges granted by the certificate, or amendment thereto, such reasonable terms, conditions, and limitations as the public interest may require.

“(2) A certificate issued under this section to engage in foreign air transportation shall, insofar as the operation is to take place without the United States, designate the terminal and intermediate points only insofar as the Board shall deem practicable, and otherwise shall designate only the general route or routes to be followed. Any air carrier holding a certificate for foreign air transportation shall be authorized to handle and transport mail of countries other than the United States.

“(3) A certificate issued under this section to engage in supplemental air transportation shall designate the terminal and intermediate points only insofar as the Board shall deem practicable and otherwise shall designate only the geographical area or areas within or between which service may be rendered.



*Ante*, p. 143.

"(4) No term, condition, or limitation of a certificate shall restrict the right of an air carrier to add to or change schedules, equipment, accommodations, and facilities for performing the authorized transportation and service as the development of the business and the demands of the public shall require; except that the Board may impose such terms, conditions, or limitations in a certificate for supplemental air transportation when required by subsection (d) (3) of this section.

"(5) No air carrier shall be deemed to have violated any term, condition, or limitation of its certificate by landing or taking off during an emergency at a point not named in its certificate or by operating in an emergency, under regulations which may be prescribed by the Board, between terminal and intermediate points other than those specified in its certificate.

"(6) Any air carrier, other than a supplemental air carrier, may perform charter trips or any other special service, without regard to the points named in its certificate, or the type of service provided therein, under regulations prescribed by the Board."

72 Stat. 754.

SEC. 4. Section 401 of the Federal Aviation Act of 1958 (49 U.S.C. 1371) is amended by adding at the end thereof the following new subsection:

"ADDITIONAL POWERS AND DUTIES OF BOARD WITH RESPECT TO SUPPLEMENTAL AIR CARRIERS

*Post*, p. 145.

"(n) (1) No certificate to engage in supplemental air transportation, and no special operating authorization described in section 417 of this title, shall be issued or remain in effect unless the applicant for such certificate or the supplemental air carrier, as the case may be, complies with regulations or orders issued by the Board governing the filing and approval of policies of insurance, in the amount prescribed by the Board, conditioned to pay, within the amount of such insurance, amounts for which such applicant or such supplemental air carrier may become liable for bodily injuries to or the death of any person, or for loss of or damage to property of others, resulting from the negligent operation or maintenance of aircraft under such certificate or such special operating authorization.

"(2) In order to protect travelers and shippers by aircraft operated by supplemental air carriers, the Board may require any supplemental air carrier to file a performance bond or equivalent security arrangement, in such amount and upon such terms as the Board shall prescribe, to be conditioned upon such supplemental air carrier's making appropriate compensation to such travelers and shippers, as prescribed by the Board, for failure on the part of such carrier to perform air transportation services in accordance with agreements therefor.

"(3) If any service authorized by a certificate to engage in supplemental air transportation is not performed to the minimum extent prescribed by the Board, it may by order, entered after notice and hearing, direct that such certificate shall thereupon cease to be effective to the extent of such service.

"(4) The requirement that each applicant for a certificate to engage in supplemental air transportation must be found to be fit, willing, and able properly to perform the transportation covered by his application and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board under this Act, shall be a continuing requirement applicable to each supplemental air carrier with respect to the transportation authorized by, and currently furnished or proposed to be furnished under, such carrier's certificate. The Board shall by order, entered after notice and hearing, modify, suspend, or revoke such certificate, in whole or in part, for failure of

such carrier (A) to comply with the continuing requirement that such carrier be so fit, willing, and able, or (B) to file such reports as the Board may deem necessary to determine whether such carrier is so fit, willing, and able.

“(5) In any case in which the Board determines that the failure of a supplemental air carrier to comply with the provisions of paragraph (1), (3), or (4) of this subsection, or regulations or orders of the Board thereunder, requires, in the interest of the rights, welfare, or safety of the public, immediate suspension of such carrier's certificate, the Board shall suspend such certificate, in whole or in part, without notice or hearing, for not more than thirty days. The Board shall immediately enter upon a hearing to determine whether such certificate should be modified, suspended, or revoked and, pending the completion of such hearing, the Board may further suspend such certificate for additional periods aggregating not more than sixty days. If the Board determines that a carrier whose certificate is suspended under this paragraph comes into compliance with the provisions of paragraphs (1), (3), and (4) of this subsection, and regulations and orders of the Board thereunder, the Board may immediately terminate the suspension of such certificate and any pending proceeding commenced under this paragraph, but nothing in this sentence shall preclude the Board from imposing on such carrier a civil penalty for any violation of such provisions, regulations, or orders.

Suspension of  
certificates.

“(6) The Board shall prescribe such regulations and issue such orders as may be necessary to carry out the provisions of this subsection.”

SEC. 5. Clause (3) of section 406(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1376(b)) is amended by inserting after “each such air carrier” the words “(other than a supplemental air carrier)”.

Subsidy ineli-  
gibility.  
72 Stat. 763.

SEC. 6. Title IV of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new section:

49 USC 1371-  
1386.

#### “SPECIAL OPERATING AUTHORIZATIONS

##### “AUTHORITY OF BOARD TO ISSUE

“SEC. 417. (a) If the Board finds upon an investigation conducted on its own initiative or upon request of an air carrier—

“(1) that the capacity for air transportation being offered by the holder of a certificate of public convenience and necessity between particular points in the United States is, or will be, temporarily insufficient to meet the requirements of the public or the postal service; or

“(2) that there is a temporary requirement for air transportation between two points, one or both of which is not regularly served by any air carrier; and

“(3) that any supplemental air carrier can provide the additional service temporarily required in the public interest; the Board may issue to such supplemental air carrier a special operating authorization to engage in air transportation between such points.

##### “TERMS OF AUTHORIZATION

“(b) A special operating authorization issued under this section—

“(1) shall contain such limitations or requirements as to frequency of service, size or type of equipment, or otherwise, as will assure that the service so authorized will alleviate the insufficiency which otherwise would exist, without significant diversion of traffic from the holders of certificates for the route;

"(2) shall be valid for not more than thirty days and may be extended for additional periods aggregating not more than sixty days; and

"(3) shall not be deemed a license within the meaning of section 9(b) of the Administrative Procedure Act (5 U.S.C. 1008(b)).

60 Stat. 242.

#### "PROCEDURE

"(c) The Board shall by regulation establish procedures for the expeditious investigation and determination of requests for such special operating authorizations. Such procedures shall include written notice to air carriers certificated to provide service between the points involved, and shall provide for such opportunity to protest the application in writing, and at the Board's discretion to be heard orally in support of such protest, as will not unduly delay issuance of such special operating authorization, taking into account the degree of emergency involved."

Interim operating authority.  
Ante, p. 143.

SEC. 7. (a) If any applicant who makes application under section 401(d) (3) of the Federal Aviation Act of 1958 for a certificate for supplemental air transportation within thirty days after the date of enactment of this Act shall show—

(1) that it, or its predecessor in interest, was an air carrier authorized to furnish service between places within the United States under a certificate of public convenience and necessity issued by the Civil Aeronautics Board pursuant to order E-13436, adopted January 28, 1959, or order E-14196, adopted July 8, 1959, or that it was given interim authority to operate in interstate air transportation as a supplemental air carrier under Board order E-9744 of November 15, 1955, and has pending before the Board an application for certification as a supplemental air carrier which was filed prior to July 14, 1960;

(2) that, during the period beginning on the date such certificate was issued or such interim operating authority was conferred by the Board and ending on the date of enactment of this Act, such applicant or his predecessor in interest lawfully performed (A) a substantial portion of the transportation authorized by such certificate or interim operating authority, (B) substantial operations in overseas or foreign air transportation, as a supplemental or large irregular air carrier, authorized by the Board, or (C) substantial operations for the Military Establishment of the United States authorized by the Board;

(3) that such certificate or interim operating authority had not been revoked or otherwise terminated by the Board or had not otherwise expired prior to the enactment of this Act: *Provided*, That for the purposes of this section such certificate or operating authority shall be considered to have been revoked or terminated if the Board has issued a final order to that effect on or before the date of enactment of this Act, notwithstanding a pending judicial review of such order; and

(4) that such certificate or interim operating authority is held by the original grantee or has been transferred to the applicant with Board approval pursuant to section 401(h) of the Federal Aviation Act of 1958: *Provided*, That a person who on the date of enactment of this Act had on file with the Board an application for the approval of transfer to him of a certificate for supplemental air transportation or interim operating authority, may be issued a new interim certificate or new interim operating authority under this section if the Board approves the transfer pursuant to section 401(h) of the Federal Aviation Act of 1958;

72 Stat. 756.  
49 USC 1371.

the Board may issue a new interim certificate or new interim authority to such applicant to engage in supplemental air transportation, as defined in the Federal Aviation Act of 1958, subject to such terms, conditions, and limitations as the Board may prescribe, pending issuance or denial of a certificate pursuant to section 401(d)(3) of the Federal Aviation Act of 1958, if it determines that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of such Act and the rules, regulations, and requirements of the Board and the Administrator.

*Ante*, p. 143.

(b) If any applicant who makes application under section 401(d)(3) of the Federal Aviation Act of 1958 for a certificate for supplemental air transportation within thirty days after the date of enactment of this Act shall show that it or its predecessor has received interim operating authority from the Civil Aeronautics Board pursuant to paragraph (2) of the first section of Public Law 86-661 of July 14, 1960 (74 Stat. 527), the Board may issue new interim authority to such applicant to engage in supplemental air transportation, as defined in the Federal Aviation Act of 1958, subject to such terms, conditions, and limitations as the Board may prescribe, pending issuance or denial of a certificate pursuant to section 401(d)(3) of the Federal Aviation Act of 1958, if it determines that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of such Act and the rules, regulations, and requirements of the Board and the Administrator.

*Ante*, p. 143.

(c) If an applicant who makes application under section 401(d)(3) of the Federal Aviation Act of 1958 for a certificate for supplemental air transportation shall show—

(1) that it, or its predecessor in interest, was a carrier authorized to furnish all-cargo service between places within the United States by a certificate of public convenience and necessity issued by the Civil Aeronautics Board pursuant to order numbered E-3085, adopted July 29, 1949, order numbered E-9760, adopted November 21, 1955, or order numbered E-10084, adopted March 12, 1956;

(2) that within thirty days prior to such application there has become final an order of the Civil Aeronautics Board in the domestic cargo-mail service case, docket numbered 10,067 and others, denying applicant's, or its predecessor's, application for renewal of such certificate; and

(3) that immediately prior to the effective date of such denial the applicant, or its predecessor in interest, lawfully performed either (A) any portion of the service authorized by the certificate or (B) any operations for the Military Establishment of the United States authorized by the Board;

the Board may issue a new interim certificate to such applicant to engage in supplemental air transportation, as defined in the Federal Aviation Act of 1958, subject to such terms, conditions, and limitations as the Board may prescribe, pending issuance or denial of a certificate pursuant to section 401(d)(3) of the Federal Aviation Act of 1958, if it determines that the applicant is fit, willing and able properly to perform such transportation and to conform to the provisions of such Act and the rules, regulations, and requirements of the Board and the Administrator.

(d) A new interim certificate or new interim authority issued under this section shall not be deemed a license within the meaning of section 9(b) of the Administrative Procedure Act (5 U.S.C. 1008(b)).

SEC. 8. (a) If any air carrier, or its predecessor in interest, was an air carrier authorized to furnish service between places within the United States by a certificate of public convenience and necessity issued

60 Stat. 242.

Continuation of  
operations.

by the Civil Aeronautics Board pursuant to order E-13436, adopted January 28, 1959, or order E-14196, adopted July 8, 1959, or it or its predecessor received interim operating authority from the Board pursuant to paragraph (2) of the first section of Public Law 86-661 of July 14, 1960 (74 Stat. 527), and the operating authority described in this subsection has not been revoked or otherwise terminated by the Board, it may perform operations as described in such certificate or such interim operating authority, subject to the terms, conditions, and limitations applicable to such certificate or such interim operating authority, or both, as the case may be, for thirty days from the date of enactment of this Act, and if it has filed application pursuant to section 401(d)(3) of the Federal Aviation Act of 1958 within said thirty days, may perform such operations, subject to such terms, conditions, and limitations, for a period of ninety days from the date of enactment of this Act. Any air carrier whose application for certification as a supplemental air carrier is pending before the Board and which (A) has operated in interstate air transportation as a supplemental air carrier pursuant to authority granted under Board order E-9744 of November 15, 1955, and (B) had such application for a certificate as a supplemental air carrier pending before the Board on July 14, 1960, and whose operating authority described in this subsection has not been revoked or otherwise terminated by the Board, may continue to operate in interstate air transportation as described in such operating authority, subject to the terms, conditions, and limitations applicable to such operating authority, for thirty days from the date of enactment of this Act, and if it has filed application pursuant to section 401(d)(3) of the Federal Aviation Act of 1958 within said thirty days, may perform such operations, subject to such terms, conditions, and limitations, for a period of ninety days from the date of enactment of this Act.

(b) The certificates of public convenience and necessity issued by the Board pursuant to order E-13436 adopted January 28, 1959, and order E-14196, adopted July 8, 1959, and the interim operating authority issued by the Board pursuant to paragraph (2) of the first section of Public Law 86-661 of July 14, 1960 (74 Stat. 527), and the exemption authority issued by the Board under order E-9744 of November 15, 1955, and prior authority under individual exemptions or Letters of Registration reinstated by the Board under order E-10161 of April 3, 1956, shall terminate thirty days from the date of enactment of this Act.

(c) From and after the thirtieth day after the date of enactment of this Act the provisions of section 9(b) of the Administrative Procedure Act (5 U.S.C. 1008(b)) shall not be applicable to any operating authority referred to in this section, or to any application for renewal thereof.

SEC. 9. The Civil Aeronautics Board may, if it finds such authorization to be in the public interest to permit an orderly transition to an all-charter operation, authorize the holder of any certificate or other operating authority issued by the Board under this Act or under section 401(d)(3) of the Federal Aviation Act of 1958 to perform individually ticketed and individually waybilled services in air transportation during the two-year period beginning on the date of enactment of this Act, subject to such terms, conditions, and limitations as the Board may prescribe, except that the annual gross revenue of such holder from services authorized by this section during each year of such two-year period shall not exceed the average annual gross revenue from individually ticketed and individually waybilled services furnished by such holder, as authorized by the Board, during the period

*Ante*, p. 143.

60 Stat. 242.

Individually  
ticketed and  
waybilled serv-  
ices.

beginning January 1, 1959, and ending December 31, 1961, inclusive, as determined by the Board.

SEC. 10. The provisions of this Act shall in no way affect the authority of the Board—

(1) to maintain any enforcement or compliance proceeding or action against the holder of a certificate of public convenience and necessity issued pursuant to Board order E-13436 of January 28, 1959, or Board order E-14196 of July 8, 1959, or against the holder of any interim operating authority conferred by the Board under paragraph (2) of the first section of Public Law 86-661 or under Board order E-9744 of November 15, 1955, which proceeding or action is pending before the Board on the date of enactment of this Act; or

74 Stat. 527.

(2) to institute, on or after the date of enactment of this Act, any enforcement or compliance proceeding or action against the holder of any certificate or interim operating authority referred to in paragraph (1) of this section with respect to any violation of—

- (A) the Federal Aviation Act of 1958,
- (B) the provisions of such certificate,
- (C) the terms of such operating authority, or
- (D) the regulations of the Board,

49 USC 1301  
note.

without regard to when such violation occurred.

Any sanction which the Board lawfully could have imposed on the operating authority of the holder of any certificate or interim operating authority referred to in paragraph (1) of this section for any violation referred to in paragraph (2) of this section, which violation occurred prior to the issuance to such holder of a new interim certificate or new interim authority under section 7 of this Act or the issuance to such holder of a certificate of public convenience and necessity to engage in supplemental air transportation under paragraph (3) of section 401(d) of the Federal Aviation Act of 1958, may be imposed on the certificate or other operating authority issued to such holder under section 7 of this Act or under paragraph (3) of section 401(d) of the Federal Aviation Act of 1958.

Ante, p. 143.

SEC. 11. Any application of an air carrier heretofore consolidated into the Board proceeding known as the Large Irregular Air Carrier Investigation, Docket Numbered 5132 and others, shall be deemed to have been finally disposed of upon the date of enactment of this Act.

SEC. 12. Section 901(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1471(a)) is amended to read as follows:

72 Stat. 783.

“SAFETY, ECONOMIC, AND POSTAL OFFENSES

“SEC. 901. (a) (1) Any person who violates (A) any provision of title III, IV, V, VI, VII, or XII of this Act, or any rule, regulation, or order issued thereunder, or under section 1002(i), or any term, condition, or limitation of any permit or certificate issued under title IV, or (B) any rule or regulation issued by the Postmaster General under this Act, shall be subject to a civil penalty of not to exceed \$1,000 for each such violation. If such violation is a continuing one, each day of such violation shall constitute a separate offense: *Provided*, That this subsection shall not apply to members of the Armed Forces of the United States, or those civilian employees of the Department of Defense who are subject to the provisions of the Uniform Code of Military Justice, while engaged in the performance of their official duties; and the appropriate military authorities shall be responsible for taking any necessary disciplinary action with respect thereto and for making to the Administrator or Board, as appropriate, a timely report of any such action taken.

49 USC 1341,  
1371, 1401, 1421,  
1441, 1521, 1482.

10 USC 801-940.

49 USC 1341,  
1401, 1421, 1521.

49 USC 1371,  
1441, 1482.

"(2) Any such civil penalty may be compromised by the Administrator in the case of violations of titles III, V, VI, or XII, or any rule, regulation, or order issued thereunder, or by the Board in the case of violations of titles IV or VII, or any rule, regulation, or order issued thereunder, or under section 1002(i), or any term, condition, or limitation of any permit or certificate issued under title IV, or by the Postmaster General in the case of regulations issued by him. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged."

72 Stat. 784.

SEC. 13. Section 902(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1472(a)) is amended to read as follows:

"GENERAL

"SEC. 902. (a) Any person who knowingly and willfully violates any provision of this Act (except titles III, V, VI, VII, and XII), or any order, rule, or regulation issued by the Administrator or by the Board under any such provision or any term, condition, or limitation of any certificate or permit issued under title IV, for which no penalty is otherwise provided in this section or in section 904, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject for the first offense to a fine of not more than \$500, and for any subsequent offense to a fine of not more than \$2,000. If such violation is a continuing one, each day of such violation shall constitute a separate offense."

SEC. 14. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the heading "Sec. 401. Certificate of public convenience and necessity." is amended by adding at the end thereof the following:

"(n) Additional powers and duties of Board with respect to supplemental air carriers."

(b) That portion of such table of contents which appears under the heading "TITLE IV—AIR CARRIER ECONOMIC REGULATION" is amended by adding at the end thereof the following:

"Sec. 417. Special operating authorizations.

"(a) Authority of Board to issue.

"(b) Terms of authorization.

"(c) Procedure."

(c) That portion of such table of contents which appears under the heading "Sec. 901. Civil penalties." is amended by striking out "(a) Safety and postal offenses." and inserting in lieu thereof "(a) Safety, economic, and postal offenses."

Approved July 10, 1962.

Public Law 87-529

AN ACT

July 10, 1962  
[H. R. 8031]

To amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus.

Television re-  
ceiving appara-  
tus.

48 Stat. 1082.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 303 of the Communications Act of 1934 (47 U.S.C. 303) is amended by inserting at the end thereof the following:

“(s) Have authority to require that apparatus designed to receive television pictures broadcast simultaneously with sound be capable of adequately receiving all frequencies allocated by the Commission to television broadcasting when such apparatus is shipped in interstate commerce, or is imported from any foreign country into the United States, for sale or resale to the public.”

SEC. 2. Part I of title III of the Communications Act of 1934 is amended by inserting at the end thereof a new section as follows:

47 USC 301-329.

“PROHIBITION AGAINST SHIPMENT OF CERTAIN TELEVISION RECEIVERS

“SEC. 330. (a) No person shall ship in interstate commerce, or import from any foreign country into the United States, for sale or resale to the public, apparatus described in paragraph (s) of section 303 unless it complies with rules prescribed by the Commission pursuant to the authority granted by that paragraph: *Provided*, That this section shall not apply to carriers transporting such apparatus without trading in it.

“(b) For the purposes of this section and section 303(s)—

Definitions.

“(1) The term ‘interstate commerce’ means (A) commerce between any State, the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United States and any place outside thereof which is within the United States, (B) commerce between points in the same State, the District of Columbia, the Commonwealth of Puerto Rico, or possession of the United States but through any place outside thereof, or (C) commerce wholly within the District of Columbia or any possession of the United States.

“(2) The term ‘United States’ means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States, but does not include the Canal Zone.”

Approved July 10, 1962.

Public Law 87-530

JOINT RESOLUTION

To amend section 316 of the Agricultural Adjustment Act of 1938 to extend the time by which a lease transferring a tobacco acreage allotment may be filed.

July 10, 1962  
[S. J. Res. 201]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 316 of the Agricultural Adjustment Act of 1938 is amended by adding thereto a new subsection (g) to read:

Agricultural Adjustment Act of 1938, amendment.  
75 Stat. 469.  
7 USC 1314b.

“(g) Notwithstanding the provisions of subsection (c) relating to the filing of a lease with the county committee, the lease and transfer of an allotment for the 1962 crop year shall be effective if, (1) the Secretary finds that a lease in compliance with the provisions of this section was agreed upon prior to the normal planting time in the county, as determined by the Secretary, or June 15, 1962, whichever is earlier, and (2) the terms of the lease are reduced to writing and filed in the county office in which the farms involved are located within twenty days of the date this subsection becomes law.”

Approved July 10, 1962.



(1) by amending section 3 (50 App. U.S.C. 2203) to read as follows:

64 Stat. 795.

"SEC. 3. For the duration of this Act, section 302(f) of the Act of October 12, 1949 (Public Law 351, Eighty-first Congress), is hereby amended by striking out that portion of the table appearing therein which prescribes monthly basic allowances for quarters for enlisted members in pay grades E-1, E-2, E-3, and E-4 (four years' or less service) and inserting in lieu thereof the following new table:

72 Stat. 127.  
37 USC 252.

| "Pay grade                       | Without dependents | 1 dependent | 2 dependents | 3 or more dependents |
|----------------------------------|--------------------|-------------|--------------|----------------------|
| E-4 (4 years or less service)--- | \$55. 20           | \$83. 10    | \$83. 10     | \$105. 00            |
| E-3-----                         | 55. 20             | 55. 20      | 83. 10       | 105. 00              |
| E-2-----                         | 55. 20             | 55. 20      | 83. 10       | 105. 00              |
| E-1-----                         | 55. 20             | 55. 20      | 83. 10       | 105. 00";            |

(2) by amending section 7 (50 App. U.S.C. 2207) by striking out the words "on training duty," and substituting in place thereof the words "in pay grades E-1, E-2, E-3, and E-4 (four years' or less service) on active duty for training for less than 30 days, to enlisted members on active duty for training under section 262 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013), or any other enlistment program that requires an initial period of active duty for training,"; and

64 Stat. 796.

(3) by amending section 8 (50 App. U.S.C. 2208) by striking out the words "For the purposes of this Act" and capitalizing the first letter of the next word and by inserting the words "(over four years' service)" after the words "pay grade E-4".

69 Stat. 600;  
73 Stat. 221.

64 Stat. 796.

SEC. 5. The Secretaries of the departments concerned shall have the same authority with respect to payments of quarters allowances to enlisted members of the uniformed services in pay grades E-4 (over 4 years' service) through E-9 that they have with respect to enlisted members of the uniformed services in pay grades E-1, E-2, E-3, and E-4 (4 years' or less service) under sections 10 and 11 of the Dependents Assistance Act of 1950 (50 App. U.S.C. 2210, 2211).

SEC. 6. Section 1 (c) and (f) of the Act of May 19, 1952, chapter 310 (66 Stat. 79, 80) is repealed.

Repeal.  
37 USC 252  
note, 252.  
Effective date.

SEC. 7. This Act becomes effective on January 1, 1963.

Approved July 10, 1962.

## Public Law 87-532

### AN ACT

July 10, 1962  
[H. R. 9883]

To authorize the San Benito International Bridge Company to construct, maintain, and operate a toll bridge across the Rio Grande near Los Indios, Texas, and to authorize the Starr-Camargo Bridge Company to construct, maintain, and operate a toll bridge across the Rio Grande near Rio Grande City, Texas.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) (1) the San Benito International Bridge Company of San Benito, Texas, is authorized to construct a toll bridge and approaches thereto across the Rio Grande, at a point suitable to the interests of navigation, at or near Los Indios, Texas, and for a period of sixty-six years from the date of completion of such bridge, to maintain and operate such bridge and to collect tolls for the use thereof, so far as the United States has

Toll bridges,  
construction.  
Los Indios; Rio  
Grande, Tex.

jurisdiction over the waters of such river; and (2) the Starr-Camargo Bridge Company of the State of Texas is authorized to construct a toll bridge and approaches thereto across the Rio Grande, at a point suitable to the interests of navigation, at or near Rio Grande City, Texas, and for a period of sixty-six years from the date of completion of such bridge, to maintain and operate such bridge and to collect tolls for the use thereof, so far as the United States has jurisdiction over the waters of such river.

(b) In the case of each such bridge, the construction, maintenance, and operation authorized by this Act shall be in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906 (33 U.S.C. 491 to 498, inclusive), and shall be subject to (1) the conditions and limitations contained in this Act, (2) the approval of the International Boundary and Water Commission, United States and Mexico, and (3) the approval of the proper authorities in the Republic of Mexico.

34 Stat. 84.

Rates and charges.

SEC. 2. Each of the companies referred to in the first section of this Act may fix and charge tolls for transit over the bridge which it is authorized under such section to construct, in accordance with the laws of the State of Texas, and the laws of the United States, applicable to such tolls, and the rates of toll so fixed shall be the legal rates until changed under the authority contained in section 4 of the Act of March 23, 1906 (33 U.S.C. 494).

Rights, powers, etc.

SEC. 3. Each such company may sell, assign, transfer, or mortgage the rights, powers, and privileges conferred on it by this Act, to any public agency, or to an international bridge authority or commission, and any such agency, authority, or commission is authorized to exercise the rights, powers, and privileges acquired under this section (including acquisition by mortgage foreclosure) in the same manner as if such rights, powers, and privileges had been granted by this Act directly to such agency, authority, or commission.

SEC. 4. Notwithstanding the provisions of section 6 of the Act of March 23, 1906 (33 U.S.C. 496), this Act shall be null and void as to any bridge authorized to be constructed by this Act unless the actual construction of such bridge is commenced within three years and completed within five years from the date of enactment of this Act.

SEC. 5. The right to alter, amend, or repeal this Act is expressly reserved.

Approved July 10, 1962.

## Public Law 87-533

July 10, 1962  
[H. R. 8045]

### AN ACT

To change the name of the Hydrographic Office to United States Naval Oceanographic Office.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) chapter 639 of title 10, United States Code, is amended by striking out the word "Hydrographic" and inserting the words "United States Naval Oceanographic" in place thereof in—

- (1) the chapter heading;
- (2) the catchline and first and second sentences of section 7391;
- (3) the catchline and clause (1) of section 7392;
- (4) the catchline and subsections (a) and (b) of section 7393;
- and
- (5) section 7394.

U.S. Naval  
Oceanographic  
Office.  
Designation.  
70A Stat. 456.  
10 USC 7391-  
7396.

(b) The chapter analysis of chapter 639 of title 10, United States Code, is amended by striking out the following items:

"7391. Hydrographic Office: establishment and duties.

"7392. Hydrographic Office: maps, charts, and books.

"7393. Hydrographic Office: pilot charts."

and inserting the following item in place thereof:

"7391. United States Naval Oceanographic Office: establishment and duties.

"7392. United States Naval Oceanographic Office: maps, charts, and books.

"7393. United States Naval Oceanographic Office: pilot charts."

SEC. 2. The analyses of subtitle C and part IV of subtitle C of title 10, United States Code, are each amended by striking out the following item:

"639. Hydrographic Office and Naval Observatory----- 7391"

and inserting the following item in place thereof:

"639. United States Naval Oceanographic Office and Naval Observatory-- 7391".

Approved July 10, 1962.

70A Stat. 276,  
442.  
10 USC 5001,  
7201.

## Public Law 87-534

### AN ACT

July 11, 1962  
[S. 2130]

To repeal certain obsolete provisions of law relating to the mints and assay offices, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3495 of the Revised Statutes, as amended (31 U.S.C. 261), is amended to read as follows:

Mints, assay  
offices.  
Repeal of ob-  
solete statutes.

"SEC. 3495. The different mints and assay offices shall be—

"First. The mint of the United States at Philadelphia.

"Second. The mint of the United States at Denver.

"Third. The United States assay office at New York.

"Fourth. The United States assay office at San Francisco."

SEC. 2. Section 3558 of the Revised Statutes, as amended (31 U.S.C. 283), is amended to read as follows:

"SEC. 3558. The business of the United States assay office at San Francisco shall be in all respects similar to that of the assay office at New York, except that no gold or silver shall be refined. The Officer in Charge shall be allowed the amount of necessary and bona fide wastage as determined by the Secretary of the Treasury but not to exceed that provided for the melter and refiner in section 3542 of this title, for wastage incurred in the casting of fine gold and silver bars. Such wastage allowance shall not apply to deposit operations."

31 USC 355.

SEC. 3. The following obsolete provisions of law are repealed:

(a) Section 344 of the Revised Statutes (31 U.S.C. 252).

(b) Section 3497 of the Revised Statutes, as amended (31 U.S.C. 264).

(c) Section 3498 of the Revised Statutes, as amended (31 U.S.C. 265).

(d) Section 3499 of the Revised Statutes, as amended (31 U.S.C. 268).

(e) Section 3500 of the Revised Statutes (31 U.S.C. 269).

(f) Section 3502 of the Revised Statutes (31 U.S.C. 254, 271).

(g) Section 3504 of the Revised Statutes, as amended (31 U.S.C. 266, 272).

(h) Section 3556 of the Revised Statutes, as amended (31 U.S.C. 280).

- (i) Section 3557 of the Revised Statutes, as amended (31 U.S.C. 282).
  - (j) Section 3559 of the Revised Statutes, as amended (31 U.S.C. 284).
  - (k) Section 3560 of the Revised Statutes, as amended (31 U.S.C. 285).
  - (l) Section 3561 of the Revised Statutes, as amended (31 U.S.C. 286).
  - (m) Act of February 20, 1895 (ch. 105, 28 Stat. 673; 31 U.S.C. 262, 283).
- Approved July 11, 1962.

Public Law 87-535

AN ACT

To amend and extend the provisions of the Sugar Act of 1948, as amended.

July 13, 1962  
[H. R. 12154]

Sugar Act Amend-  
ments of 1962.  
Post, p. 169.  
Annual consump-  
tion estimate.  
61 Stat. 923.  
7 USC 1111.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sugar Act Amendments of 1962".*

SEC. 2. Section 201 of the Sugar Act of 1948, as amended, is amended as follows: by striking out the last sentence thereof, all of the language following the phrase "in addition to the consumption, inventory, population, and demand factors above specified and the level and trend of consumer purchasing power," and by adding after such phrase the following language: "shall take into consideration the relationship between the price for raw sugar that he estimates would result from such determination and the parity index, as compared with the relationship between the average price of raw sugar during the three-year period 1957, 1958, and 1959, and the average of the parity indexes during such three years, with the view to attaining generally stable domestic sugar prices that will carry out over the long term the price objective previously set forth in this section; and in order that the regulation of commerce provided by this Act shall not result in excessive prices to consumers, the Secretary shall make such additional allowances as he deems necessary in the amount of sugar determined to be needed to meet requirements of consumers. The term 'parity index' as used herein shall mean such index as determined under section 301 of the Agricultural Adjustment Act of 1938, as amended, and as published monthly by the United States Department of Agriculture."

"Parity Index,"

7 USC 1301.

Quotas, estab-  
lishment or re-  
vision.  
65 Stat. 318.  
7 USC 1112.

SEC. 3. Section 202 of such Act is amended to read as follows:

"SEC. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas—

“(a)(1) For domestic sugar-producing areas, by apportioning among such areas five million eight hundred and ten thousand short tons, raw value, as follows:

| “Area                    | Short tons,<br>raw value |
|--------------------------|--------------------------|
| Domestic beet sugar----- | 2, 650, 000              |
| Mainland cane sugar----- | 895, 000                 |
| Hawaii-----              | 1, 110, 000              |
| Puerto Rico-----         | 1, 140, 000              |
| Virgin Islands-----      | 15, 000                  |
| Total-----               | 5, 810, 000              |

“(2)(A) To the above total of five million eight hundred and ten thousand short tons, raw value, there shall be added an amount equal to 65 per centum of the amount by which the Secretary’s determination of requirements of consumers in the continental United States for the calendar year exceeds nine million seven hundred thousand short tons, raw value. Such additional amount shall be apportioned between the domestic beet sugar area and the mainland cane sugar area on the basis of the quotas for such areas established under paragraph (1) of this subsection and the amounts so apportioned shall be added to the quotas for such areas.

“(B) Whenever the production of sugar in Hawaii, Puerto Rico, or in the Virgin Islands in any year subsequent to 1961 results in their being available for marketing in the continental United States in any year sugar in excess of the quota for such area for such year established under paragraph (1) of this subsection, the quota for the immediately following year established for such area under paragraph (1) of this subsection shall be increased to the extent of such excess production: *Provided*, That in no event shall the quota for Hawaii, Puerto Rico, or the Virgin Islands, as so increased, exceed the quota which would have been established for such area at the same level of consumption requirements under the provisions of section 202(a) of the Sugar Act of 1948, as amended, in effect immediately prior to the date of enactment of the Sugar Act Amendments of 1962.

*Supra.*

“(b) For the Republic of the Philippines, in the amount of one million and fifty thousand short tons, raw value, of sugar.

“(c)(1) For the six-month period ending December 31, 1962, for foreign countries other than the Republic of the Philippines an amount of sugar, raw value, equal to the amount determined pursuant to section 201 less the sum of (i) the quotas established pursuant to subsections (a) and (b) of this section, (ii) the amount of nonquota purchase sugar authorized for importation between January 1 and June 30, 1962, inclusive, pursuant to Sugar Regulation 820, and (iii) the quotas for foreign countries other than the Republic of the Philippines established by Sugar Regulation 811 for the six-month period ending June 30, 1962.

61 Stat. 923;  
*Ante*, p. 156.  
7 USC 1111.

“(2) For the calendar years 1963 and 1964, for foreign countries other than the Republic of the Philippines, an amount of sugar, raw value, equal to the amount determined pursuant to section 201 less the sum of the quotas established pursuant to subsections (a) and (b) of this section.

“(3) (A) The quotas for foreign countries other than the Republic of the Philippines determined under paragraphs (1) and (2) of this subsection, less five thousand six hundred and sixty-seven short tons, raw value, for 1962 and less eleven thousand three hundred and thirty-two short tons, raw value, for 1963 and 1964, shall be prorated among such countries on the following basis:

| Country             | Per centum |
|---------------------|------------|
| Cuba                | 57.77      |
| Peru                | 6.71       |
| Dominican Republic  | 6.71       |
| Mexico              | 6.71       |
| Brazil              | 6.37       |
| British West Indies | 3.19       |
| Australia           | 1.41       |
| Republic of China   | 1.24       |
| French West Indies  | 1.06       |
| Colombia            | 1.06       |
| Nicaragua           | 0.88       |
| Costa Rica          | 0.88       |
| Ecuador             | 0.88       |
| India               | 0.71       |
| Haiti               | 0.71       |
| Guatemala           | 0.71       |
| South Africa        | 0.71       |
| Panama              | 0.53       |
| El Salvador         | 0.36       |
| Paraguay            | 0.35       |
| British Honduras    | 0.35       |
| Fiji Islands        | 0.35       |
| Netherlands         | 0.35       |

“(B) For the six-month period ending December 31, 1962, Canada, United Kingdom, Belgium, and Hong Kong shall be permitted to import into the continental United States the amount of sugar allocated to each in Sugar Regulation 811, issued December 11, 1961 (26 F.R. 11963). For the calendar years 1963 and 1964, Canada, United Kingdom, Belgium, and Hong Kong shall be permitted to import into the continental United States a total of thirteen hundred and thirty-two short tons of sugar, raw value, which amount shall be allocated to such countries in amounts as specified in Sugar Regulation 811, as amended, issued March 31, 1961 (26 F.R. 2774);

“(C) For the six-month period ending December 1962, the Secretary is authorized to allocate to foreign countries not enumerated in subparagraph (A) or (B) an amount of sugar, raw value, not exceeding in the aggregate five thousand short tons. For the calendar years 1963 and 1964, the Secretary is authorized to allocate to foreign countries not enumerated in subparagraph (A) or (B) an amount of sugar, raw value, not exceeding in the aggregate ten thousand short tons. Each foreign country to which an allocation is made under the provisions of this subparagraph for any period or year shall be permitted to import into the continental United States the amount of sugar allocated to it by the Secretary.

“(4) Notwithstanding the provisions of paragraph (3) of this subsection, whenever the United States is not in diplomatic relations with any country named in paragraph (3) of this subsection and during such period after resumption of diplomatic relations with such country as the Secretary determines is required to permit an orderly adjustment in the channels of commerce for sugar, the proration or allocation provided for in paragraph (3) of this subsection shall not be made to such country, and a quantity of sugar not to exceed an amount equal to the proration or allocation which would have been made but for the provisions of this paragraph, may be authorized for purchase and importation from foreign countries, except that all or any part of such quantity need not be purchased from any country with which the United States is not in diplomatic relations, or from any country designated by the President whenever he finds and proclaims that such action is required in the national interest. In authorizing the purchase and importation of sugar from foreign countries under this paragraph, special consideration shall be given to countries of the Western Hemisphere and to those countries purchasing United States agricultural commodities.

*Post*, p. 169.

“(5) Sugar authorized for purchase pursuant to paragraph (4) of this subsection shall be raw sugar, except that if the Secretary determines that the total quantity is not reasonably available as raw sugar from the countries either named or determined by the Secretary under paragraph (4) of this subsection, he may authorize for purchase for direct consumption from such countries such part of such quantity of sugar as he determines may be required to meet the requirements of consumers in the United States.

“(6) Sugar shall not be authorized for purchase pursuant to paragraph (4) of this subsection from any foreign country which imports sugar unless, in the preceding and current calendar year, its aggregate exports of sugar to countries other than the United States equal or exceed its aggregate imports of sugar.

“(d) Whenever in any year any foreign country with a quota or proration thereof of more than ten thousand short tons, raw value, fails to fill such quota or proration by more than ten per centum and at any time during such year the world price of sugar exceeds the domestic price, the quota or proration thereof for such country for subsequent years shall be reduced by an amount equal to the amount by which such country failed to fill its quota or proration thereof, unless the Secretary finds that such failure was due to crop disaster or force majeure or finds that such reduction would be contrary to the objectives of this Act. Any reduction hereunder shall be prorated in the same manner as deficits are prorated under section 204.

*Post*, p. 160.

*Post*, p. 169.

“(e) If a foreign country imports sugar, it may not export sugar to the United States to fill its quota or proration thereof for any year unless, in both the preceding and current calendar years, its aggregate exports of sugar to countries other than the United States equal or exceed its aggregate imports of sugar. If sugar is exported to the United States from any foreign country in any year in violation of this subsection (e), the quota or proration thereof for such foreign country

for subsequent years shall be reduced by an amount equal to three times the lesser of (i) the amount of such country's excess of imports of sugar over its exports of sugar to countries other than the United States during the preceding or current calendar year, in whichever year an excess or the larger excess occurs, or (ii) the amount of sugar exported to the United States by such country to fill its quota or proration thereof during the calendar year in which the violation of this subsection (e) occurred.

"(f) The quota or proration thereof or purchase authorization established for any foreign country may be filled only with sugar produced from sugarbeets or sugarcane grown in such country."

Quota deficits,  
proration.  
65 Stat. 319;  
Post, p. 169.  
7 USC 1114.

SEC. 4. Section 204 of such Act is amended to read as follows:

"SEC. 204. (a) The Secretary shall from time to time determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugarbeets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any area or country will be unable to market the quota or proration for such area or country. If the Secretary determines that any domestic area or foreign country will be unable to market the quota or proration for such area or country, he shall revise the quota for the Republic of the Philippines and the prorations for foreign countries named in section 202(c)(3)(A) by prorating an amount of sugar equal to the deficit so determined to such countries without a deficit on the basis of the quota for the Republic of the Philippines and the prorations for such countries then in effect: *Provided*, That no part of any such deficit shall be prorated to any country not in diplomatic relations with the United States. If the Secretary determines that any foreign country will be unable to fill its share of any deficit determined under this section, he shall apportion such unfilled amount on such basis and to the Republic of the Philippines and such other foreign countries named in section 202(c)(3)(A) as he determines is required to fill any such deficit: *Provided*, That no such apportionment shall be made to any foreign country not in diplomatic relations with the United States. If the Secretary determines that neither the Republic of the Philippines nor the countries named in section 202(c)(3)(A) can fill all of any such deficit whenever the provisions of section 202(c)(4) apply, he shall add such unfilled amount to the quantity of sugar which may be purchased pursuant to section 202(c)(4), and whenever section 202(c)(4) does not apply he shall apportion such unfilled amount on such basis and to such foreign countries in diplomatic relations with the United States as he determines is required to fill such deficit.

*Ante*, p. 158.

*Ante*, p. 159.

*Ante*, pp. 157,  
158.

"(b) The quota established for any domestic area or the Republic of the Philippines under section 202 shall not be reduced by reason of any determination of a deficit existing in any calendar year under subsection (a) of this section."

Quota allot-  
ments.  
61 Stat. 926.  
7 USC 1115.

SEC. 5. (a) Section 205(a) of such Act is amended by inserting in the second sentence thereof immediately after "sugarbeets or sugarcane" the following: ", limited in any year when proportionate shares were in effect to processings".

(b) Section 205(a) of such Act is further amended by inserting after the second sentence thereof the following new sentence: "The Secretary is also authorized in making such allotments, whenever there is involved any allotment that pertains to a new sugarbeet processing plant or factory serving a locality having a substantial



sugarbeet acreage for the first time or that pertains to an existing sugarbeet processing plant or factory with substantially expanded facilities added to serve farms having a substantial sugarbeet acreage for the first time, to take into consideration in lieu of or in addition to the foregoing factors of processing, past marketings, and ability to market, the need of establishing an allotment which will permit such marketing of sugar as is necessary for reasonably efficient operation of any such new processing plant or factory or expanded facilities during each of the first two years of its operation."

SEC. 6. Section 206 of such Act is amended to read as follows:

"SEC. 206. The sugar or liquid sugar in any product or mixture, which the Secretary determines is the same or essentially the same in composition and use as a sugar-containing product or mixture which was imported into the United States during any three or more of the five years prior to 1960 without being subject to a quota under this Act, shall not be subject to the quota and other provisions of this Act, unless the Secretary determines that the actual or prospective importation or bringing into the United States or Puerto Rico of such sugar-containing product or mixture will substantially interfere with the attainment of the objectives of this Act: *Provided*, That the sugar and liquid sugar in any other product or mixture imported or brought into the United States or Puerto Rico shall be subject to the quota and other provisions of this Act unless the Secretary determines that the actual or prospective importation or bringing in of the sugar-containing product or mixture will not substantially interfere with the attainment of the objectives of this Act. In determining whether the actual or prospective importation or bringing into the United States or Puerto Rico of any sugar-containing product or mixture will or will not substantially interfere with the attainment of the objectives of this Act, the Secretary shall take into consideration the total sugar content of the product or mixture in relation to other ingredients or to the sugar content of other products or mixtures for similar use, the costs of the mixture in relation to the costs of its ingredients for use in the United States or Puerto Rico, the present or prospective volume of importations relative to past importations, and other pertinent information which will assist him in making such determination. Determinations by the Secretary that do not subject sugar or liquid sugar in a product or mixture to a quota, may be made pursuant to this section without regard to the rulemaking requirements of section 4 of the Administrative Procedure Act, and by addressing such determinations in writing to named persons and serving the same upon them by mail. If the Secretary has reason to believe it likely that the sugar or liquid sugar in any product or mixture will be subject to a quota under the provisions of this section, he shall make any determination provided for in this section with respect to such product or mixture in conformity with the rulemaking requirements of section 4 of the Administrative Procedure Act."

SEC. 7. Section 207 of such Act is amended to read as follows:

"SEC. 207. (a) The quota for Hawaii established under section 202 for any calendar year may be filled by direct-consumption sugar not to exceed an amount equal to 0.342 per centum of the Secretary's determination for such year issued pursuant to section 201.

"(b) The quota for Puerto Rico established under section 202 for any calendar year may be filled by direct-consumption sugar not to exceed an amount equal to 1.5 per centum of the Secretary's determination for such year issued pursuant to section 201: *Provided*, That one hundred and twenty-six thousand and thirty-three short tons, raw value, of such direct-consumption sugar shall be principally of crystalline structure.

Sugar-contain-  
ing products.

60 Stat. 238.  
5 USC 1003.

Direct-consump-  
tion sugar quo-  
tas.

7 USC 1117.  
*Ante*, p. 157.

61 Stat. 923;  
*Ante*, p. 156.  
7 USC 1111.

"(c) None of the quota for the Virgin Islands for any calendar year may be filled by direct-consumption sugar.

"(d) Not more than fifty-six thousand short tons of sugar of the quota for the Republic of the Philippines for any calendar year may be filled by direct-consumption sugar as provided under section 201 of the Philippine Trade Agreement Revision Act of 1955.

69 Stat. 413.  
22 USC 1372 and  
note.

*Ante*, p. 158.

*Ante*, p. 160.

*Post*, p. 170.

"(e) (1) None of the proration established for Cuba under section 202(c) (3) for any calendar year and none of the deficit prorations and apportionments for Cuba established under section 204(a) may be filled by direct-consumption sugar.

"(2) The proration or allocation established for each foreign country which receives a proration or allocation of twenty thousand short tons, raw value, or less under section 202(c) (3), may be filled by direct-consumption sugar to the extent of the average amount of direct-consumption sugar entered by such country during the years 1957, 1958, and 1959. None of the proration or allocation established for each foreign country which receives a proration or allocation of more than twenty thousand short tons, raw value, under section 202(c) (3), may be filled by direct-consumption sugar. None of the deficit prorations and apportionments for foreign countries established under section 204(a) may be filled by direct-consumption sugar.

"(f) This section shall not apply with respect to the quotas established under section 203 for marketing for local consumption in Hawaii and Puerto Rico.

"(g) The direct-consumption portions of the quotas established pursuant to this section, and the enforcement provisions of title II applicable thereto, shall continue in effect and shall not be subject to suspension pursuant to the provisions of section 408 of this Act unless the President acting thereunder specifically finds and proclaims that a national economic or other emergency exists with respect to sugar or liquid sugar which requires the suspension of direct-consumption portions of the quotas."

61 Stat. 925.  
7 USC 1113.

61 Stat. 933;  
*Post*, p. 166.  
7 USC 1158.

Liquid sugar  
foreign quotas.  
65 Stat. 319.  
7 USC 1118.

SEC. 8. Section 208 of such Act is amended to read as follows:

"SEC. 208. A quota for liquid sugar for foreign countries for each calendar year is hereby established as follows: two million gallons of sirup of cane juice of the type of Barbados molasses, limited to liquid sugar containing soluble nonsugar solids (excluding any foreign substances that may have been added or developed in the product) of more than 5 per centum of the total soluble solids, which is not to be used as a component of any direct-consumption sugar but is to be used as molasses without substantial modification of its characteristics after importation, except that the President is authorized to prohibit the importation of liquid sugar from any foreign country which he shall designate whenever he finds and proclaims that such action is required by the national interest."

SEC. 9. Section 209 of such Act is amended (1) by inserting before the last three words of subsection (a) the words "or proration"; (2) by inserting after the word "proration" in subsection (d) the words "or allocation" and by striking the period at the end of subsection (d) and inserting a semicolon in lieu thereof; and (3) by adding a new subsection (e) to read as follows:

"(e) From bringing or importing into the Virgin Islands for consumption therein, any sugar or liquid sugar produced from sugarcane or sugarbeets grown in any area other than Puerto Rico, Hawaii, or the continental United States."

SEC. 10. (a) Section 211(a) of such Act is amended by striking out the first two sentences thereof.

(b) Section 211(c) is amended to read as follows: "The quota established for any domestic sugar-producing area may be filled only with

Prohibitions.  
61 Stat. 928.  
7 USC 1119.

Sugar exportation.  
7 USC 1124.

sugar or liquid sugar produced from sugarbeets or sugarcane grown in such area."

SEC. 11. Section 212 of such Act is amended by inserting after "alcohol," in clause (4) thereof the following: "including all polyhydric alcohols,".

61 Stat. 929.  
7 USC 1122.

SEC. 12. A new section 213 is added and inserted immediately after section 212 of such Act as follows:

Import fee.

"SEC. 213. (a) An import fee established as provided in subsection (b) of this section shall be paid to the United States as a condition for importing into the continental United States sugar purchased pursuant to paragraph (4) of section 202(c) of this Act. Such fee shall be paid by the person applying to the Secretary for entry and release of sugar. Such payment shall be made in accordance with regulations promulgated by the Secretary.

Post, p. 170.

Ante, p. 159.

"(b) Whenever the Secretary determines that the currently prevailing price for raw sugar for the United States market exceeds the market price which he determines, from available information, prevails for raw sugar of foreign countries which may be imported into the continental United States pursuant to paragraph (4) of section 202(c), he shall establish an import fee in such amount as he determines from time to time will approximate the amount by which a domestic price for raw sugar, at a level that will fulfill the domestic price objective set forth in section 201, would exceed the market price for raw sugar (adjusted for freight to New York, and most-favored-nation tariff) of foreign countries which may be imported into the continental United States pursuant to paragraph (4) of section 202(c). Such fee shall be imposed on a per pound, raw value, basis, and shall be applied uniformly to sugar purchased pursuant to paragraphs (4) and (5) of section 202(c).

"(c) As a condition for importing sugar into the continental United States pursuant to paragraph (3) of section 202(c) and section 204(a) of this Act, an import fee shall be paid to the United States during the years 1962, 1963, and 1964, which fee in each such year shall be respectively 10, 20, and 30 per centum of the amount which the Secretary determines from time to time will approximate the amount by which a domestic price for raw sugar, at a level that will fulfill the domestic price objective set forth in section 201 would exceed either the prevailing market price for raw sugar (adjusted for freight to New York, and most-favored-nation tariff) of foreign countries which may be imported into the continental United States pursuant to paragraph (4) of section 202(c), or whenever paragraph (4) of section 202(c) does not apply, the prevailing world market price for raw sugar (adjusted for freight to New York, and most-favored-nation tariff). The fee provided for in this paragraph shall be imposed on a per pound, raw value, basis, and shall be applied uniformly, except that the import fee imposed on any direct-consumption sugar during the years 1962, 1963, and 1964, shall be respectively 0.1, 0.2, and 0.3 of one cent per pound more than the import fee imposed on raw sugar under this paragraph.

Ante, pp. 158,  
160.

61 Stat. 923;  
Ante, p. 156.  
7 USC 1111.

"(d) The funds collected as import fees by the Secretary pursuant to the provisions of this section shall be covered into the Treasury as miscellaneous receipts."

SEC. 13. (a) Section 301(b) of such Act is amended by striking out the language "in excess of the proportionate share for the farm, as determined by the Secretary" and inserting in lieu thereof the language "in excess of the proportionate share for the farm, if farm proportionate shares are determined by the Secretary".

Proportionate  
share production.  
61 Stat. 929.  
7 USC 1131.

(b) Section 302(a) of such Act is amended by striking out the language "for the farm, as determined by the Secretary," and inserting

7 USC 1132

in lieu thereof the language "for the farm, if farm proportionate shares are determined by the Secretary,".

61 Stat. 930.  
7 USC 1132.

(c) Section 302(b) of such Act is amended to read as follows:

"(b) (1) Whenever the Secretary determines that the production of sugar from any crop of sugarbeets or sugarcane will be greater than the quantity needed to enable the area to meet the quota, and provide a normal carryover inventory, as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar from such crop normally would be marketed, he shall establish proportionate shares for farms in such area as provided in this subsection. In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugarbeets and sugarcane marketed (or processed) for the extraction of sugar or liquid sugar (within proportionate shares when in effect) and the ability to produce such sugarbeets or sugarcane.

"(2) The Secretary may also, in lieu of or in addition to the foregoing factors, take into consideration with respect to the domestic beet sugar area the sugarbeet production history of the person who was a farm operator in the base period, in establishing farm proportionate shares in any State or substantial portion thereof in which the Secretary determines that sugarbeet production is organized generally around persons rather than units of land, other than a State or substantial portion thereof wherein personal sugarbeet production history of farm operators was not used generally prior to 1962 in establishing farm proportionate shares. In establishing proportionate shares for farms in the domestic beet sugar area, the Secretary may first allocate to States (except acreage reserved) the total acreage required to enable the area to meet its quota and provide a normal carryover inventory (hereinafter referred to as the 'national sugarbeet acreage requirement') on the basis of the acreage history of sugarbeet production and the ability to produce sugarbeets for extraction of sugar in each State.

"(3) In order to make available acreage for growth and expansion of the beet sugar industry, the Secretary, in addition to protecting the interest of new and small producers by regulations generally similar to those heretofore promulgated by him pursuant to this Act, shall reserve each year from the national sugarbeet acreage requirement established by him the acreage required to yield 65,000 short tons, raw value, of sugar. The acreage so reserved shall be distributed on a fair and reasonable basis, when it can be utilized, to farms without regard to any other acreage allocations to States or areas within States determined by him and shall be withheld from such other allocations until it can be so utilized: *Provided, however,* That beginning with 1966, the total acreage previously reserved and not used, plus that reserved in the current year, shall not exceed the acreage required to produce 100,000 short tons, raw value, of sugar. At the time the Secretary distributes the sugarbeet acreage reserve for any year, which determination of distribution shall be made as far in advance of such year as practicable, such distribution shall thereby be committed to be in effect for the year in which production of sugarbeets is scheduled to commence in a locality or localities determined by the Secretary to receive such reserves for such year, such determination of distribution by the Secretary shall be final, and such commitment of the sugarbeet acreage reserve shall be irrevocable upon issuance of such determination of the Secretary by publication in the Federal Register; except that if the Secretary finds in any case that construction of sugarbeet processing facilities and the contracting for processing of sugarbeets has not proceeded in substantial accordance with the representations made to him as a basis for his determination of distribution

of the sugarbeet acreage reserve, he shall revoke such determination in accordance with and upon publication in the Federal Register of such findings. In determining distribution of the sugarbeet acreage reserve and whenever proposals are made to construct sugarbeet processing facilities in two or more localities where sugarbeet production is scheduled to commence in the same year, the Secretary shall base his determination and selection upon the firmness of capital commitment, suitability for growing sugarbeets, the proximity of other mills, need for a cash crop or a replacement crop, and accessibility to sugar markets, and the relative qualifications of localities under such criteria. Whenever there is no interest in constructing a new facility to commence production in a certain year, the Secretary shall give consideration to proposals, if any, to substantially expand existing factory facilities and in such event he shall base his determination of distribution of the sugarbeet acreage reserve on the aforementioned criteria and the extent of the proposed substantial expansion or expansions. If proportionate shares are in effect in the two years immediately following the year for which the sugarbeet acreage reserve is committed for any locality, the acreage of proportionate shares established for farms in such locality in each of such two years shall not be less than the smaller of the acreage committed to such farms or the acreage required to yield 50,000 short tons, raw value, of sugar based upon the yield expectancy initially considered by the Secretary in distributing the sugarbeet acreage reserve to such locality.

Publication  
in F. R.

“(4) The allocation of the national sugarbeet acreage requirement to States for sugarbeet production, as well as the distribution of the sugarbeet acreage reserve, shall be determined by the Secretary after investigation and notice and opportunity for an informal public hearing.

“(5) In determining farm proportionate shares, the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interest of producers who are cash tenants, share tenants, adherent planters, or sharecroppers and of the producers in any local producing area whose past production has been adversely, seriously, and generally affected by drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions.

“(6) Whenever the Secretary determines it necessary for the effective administration of this subsection in an area where farm proportionate shares are established in terms of sugarcane acreage, he may consider acreage of sugarcane harvested for seed on the farm in addition to past production of sugarcane for the extraction of sugar in determining proportionate shares as heretofore provided in this subsection; and whenever acreage of sugarcane harvested for seed is considered in determining farm proportionate shares, acreage of sugarcane harvested for seed shall be included in determining compliance with the provisions of section 301(b) of this Act, notwithstanding any other provisions of section 301(b).

“(7) For the purposes of establishing proportionate shares hereunder and in order to encourage wise use of land resources, foster greater diversification of agricultural production, and promote the conservation of soil and water resources in Puerto Rico, the Secretary, on application of any owner of a farm in Puerto Rico, is hereby authorized, whenever he determines it to be in the public interest and to facilitate the sale or rental of land for other productive purposes, to transfer the sugarcane production record for any parcel or parcels of land in Puerto Rico owned by the applicant to any other parcel or parcels of land owned by such applicant in Puerto Rico.”

Collection of  
fees.  
7 USC 1154.  
Presidential  
authority.  
7 USC 1158.

SEC. 14. Section 404 of such Act is amended by inserting “, fees” after the word “penalties” in the second sentence thereof.

SEC. 15. Section 408 of such Act is amended by striking out all of subsection (b) thereof and inserting the following new subsections (b) and (c):

“(b) In the event the President, in his discretion, determines that any foreign country having a quota or receiving any authorization under this Act to import sugar into the United States, has been or is allocating the distribution of such quota or authorization within that country so as to discriminate against citizens of the United States, he shall suspend the quota or other authorization of that country until such time as he has received assurances, satisfactory to him, that the discrimination will not be continued. Any quantity so suspended shall be authorized for purchase in accordance with the provisions of section 202(c) (4), or apportioned in accordance with section 204(a), whichever procedure is applicable.

“(c) In any case in which the President determines that a nation or a political subdivision thereof has hereafter (1) nationalized, expropriated, or otherwise seized the ownership or control of the property of United States citizens or (2) imposed upon or enforced against such property or the owners thereof discriminatory taxes or other exactions, or restrictive maintenance or operational conditions not imposed or enforced with respect to property of a like nature owned or operated by its own nationals or the nationals of any government other than the Government of the United States, and has failed within six months following the taking of action in either of such categories to take steps determined by the President to be appropriate and adequate to remedy such situation and to discharge its obligations under international law toward such citizens, including the prompt payment to the owner or owners of such property so nationalized, expropriated, or otherwise seized, or to arrange, with the agreement of the parties concerned, for submitting the question in dispute to arbitration or conciliation in accordance with procedures under which a final and binding decision or settlement will be reached and full payment or arrangements with the owners for such payment made within twelve months following such submission, the President shall suspend any quota, proration of quota, or authorization to purchase and import sugar under this Act of such nation until he is satisfied that appropriate steps are being taken. Any quantity so suspended shall be authorized for purchase in accordance with the provisions of section 202(c) (4), or apportioned in accordance with section 204(a) whichever procedure is applicable.”

Extension of  
program.  
7 USC 1101 note.

SEC. 16. Section 412 of such Act (relating to termination of the powers of the Secretary under the Act) is amended by striking out “June 30” and inserting in lieu thereof “December 31” and by striking out “1962” in each place it appears therein and inserting in lieu thereof “1966”.

Repeal.  
7 USC 1101 note.

SEC. 17. Section 413 of such Act (relating to the effective date of the Sugar Act of 1948 and the termination of the powers of the Secretary under the Sugar Act of 1937) is repealed.

75 Stat. 40,  
26 USC 4501.

SEC. 18. (a) Section 4501(c) (relating to termination of taxes on sugar) of the Internal Revenue Code of 1954 is amended by striking out “December 31, 1962” in each place it appears therein and inserting in lieu thereof “June 30, 1967”.

26 USC 6412.

(b) Section 6412(d) (relating to refund of taxes on sugar) of the Internal Revenue Code of 1954 is amended by striking out “December 31, 1962” and inserting in lieu thereof “June 30, 1967” and by striking out “March 31, 1963” and inserting in lieu thereof “September 30, 1967”.

SEC. 19. (a) Except as otherwise provided, the amendments made by this Act shall become effective January 1, 1962. Effective dates.

(b) The amendments made by section 6 and section 12 of this Act shall each become effective on the date stated in regulations implementing each of such sections and published in the Federal Register, or sixty days after the date of enactment of this Act, whichever is earlier. Publication in  
F. R.

Approved July 13, 1962.

## Public Law 87-536

### AN ACT

To amend section 6(d) of the Universal Military Training and Service Act (50 App. U.S.C. 456(d)) to authorize certain persons who complete a Reserve Officers' Training Corps program to be appointed as commissioned officers in the Coast and Geodetic Survey.

July 18, 1962  
[H. R. 7719]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6(d) of the Universal Military Training and Service Act (50 App. U.S.C. 456(d)) is amended—

Coast and Geo-  
detic Survey.  
ROTC grad-  
uates.  
65 Stat. 83.

(1) by amending the fourth sentence of paragraph (1) by striking out the word "Upon" and inserting the words "Except as provided in paragraph (5), upon" in place thereof; and

(2) by adding the following new paragraph at the end thereof:

"(5) Notwithstanding paragraph (1), upon the successful completion by any person of the required course of instruction under any Reserve Officers' Training Corps program listed in clause (A) of the first sentence of paragraph (1) and subject to the approval of the Secretary of the military department having jurisdiction over him, such person may, without being relieved of his obligation under that sentence, be tendered, and accept, a commission in the Coast and Geodetic Survey instead of a commission in the appropriate reserve component of the Armed Forces. If he does not serve on active duty as a commissioned officer of the Coast and Geodetic Survey for at least six years, he shall, upon discharge therefrom, be tendered a commission in the appropriate reserve component of the Armed Forces, if he is otherwise qualified for such appointment, and, in fulfillment of his obligation under the first sentence of paragraph (1), remain a member of a reserve component until the sixth anniversary of the receipt of his commission in the Coast and Geodetic Survey. While a member of a reserve component he may, in addition to as otherwise provided by law, be ordered to active duty for such period that, when added to the period he served on active duty as a commissioned officer of the Coast and Geodetic Survey, equals two years."

Approved July 18, 1962.

## Public Law 87-537

## AN ACT

July 18, 1962  
[H. R. 4330]

To provide uniform computation of retired pay for enlisted members retired prior to June 1, 1958, under section 4 of the Armed Forces Voluntary Recruitment Act of 1945, as amended by section 6(a) of the Act of August 10, 1946 (60 Stat. 995).

Armed Forces.  
Retirement pay.

59 Stat. 539.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That members retired prior to June 1, 1958, pursuant to section 4 of the Armed Forces Voluntary Recruitment Act of 1945, as amended by section 6(a) of the Act of August 10, 1946 (60 Stat. 995), are authorized to include active service performed to the date of retirement as creditable service in the computation of basic pay upon which retired pay is based.

Approved July 18, 1962.

## Public Law 87-538

## JOINT RESOLUTION

July 18, 1962  
[S. J. Res. 68]

Providing for the designation of the week commencing October 14, 1962, as "National Public Works Week".

Whereas public works facilities and services are of vital importance to the health and well-being of the people of this Nation, and Whereas the members of Federal, State, and local units of government are responsible for and must design, build, operate and maintain the high way, water supply, sewage and refuse disposal systems, public buildings and other structures and facilities essential to serve the citizens of our country, and

Whereas such facilities and services could not be provided without the dedicated efforts of the public works engineers and administrators of this Nation, and

Whereas the ability of governmental agencies to attract and retain competent persons to provide said facilities and services in the most efficient manner possible, is materially influenced by the people's attitude toward their public servants, and

Whereas it is in the public interest for the citizens and civic leaders of this country to become better acquainted with the public works needs and programs of their respective communities: Therefore be it

National Public  
Works Week.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized and requested to issue a proclamation designating the seven-day period commencing October 14, 1962, as "National Public Works Week", and calling upon the people of the United States to celebrate such week with activities and ceremonies paying tribute to the public works engineers and administrators of the Nation and the important work which they perform.

Approved July 18, 1962.



## Public Law 87-539

## AN ACT

To amend the Act relating to the importation of adult honeybees, and to amend certain provisions of the Sugar Act of 1948, as amended.

July 19, 1962  
[H. R. 8050]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1 of the Act of August 31, 1922 (42 Stat. 833; 7 U.S.C. 281), is amended to read as follows:

Honeybees,  
importation.

"SECTION 1. In order to prevent the introduction and spread of diseases dangerous to the adult honeybee, the importation into the United States of all honeybees of the genus *Apis* in the adult stage is hereby prohibited, and all adult honeybees offered for import into the United States shall be destroyed if not immediately exported: *Provided*, That such adult honeybees may be imported into the United States by the United States Department of Agriculture for experimental or scientific purposes: *Provided further*, That such adult honeybees may be imported into the United States from countries in which the Secretary of Agriculture shall determine that no diseases dangerous to adult honeybees exist and that adequate precautions have been taken by such countries to prevent the importation of honeybees from countries where such dangerous diseases exist, under rules and regulations prescribed by the Secretary of the Treasury and the Secretary of Agriculture."

SEC. 2. (a) Section 202(c) (4) of the Sugar Act of 1948, as amended, is amended by inserting "(A)" after "(4)", and by adding at the end thereof the following new subparagraph:

Sugar Act of  
1948, amendment.  
65 Stat. 318.  
*Ante*, p. 159.  
7 USC 1112.

"(B) Of the quantity authorized for purchase and importation under subparagraph (A), the President is authorized to allocate to countries within the Western Hemisphere, for the six-month period ending December 31, 1962, an amount of sugar, raw value, not exceeding in the aggregate seventy-five thousand short tons, and for the calendar years 1963 and 1964, an amount of sugar, raw value, not exceeding in the aggregate one hundred and fifty thousand short tons."

(b) Section 202(e) of such Act, as amended, is amended by adding at the end thereof the following new sentence: "The provisions of this subsection shall not apply to sugar exported by any foreign country to the United States to fill any allocation made to it under subsection (c) (3) (C)."

70 Stat. 219.  
*Ante*, p. 159.

(c) Section 204(a) of such Act, as amended, is amended to read as follows:

*Ante*, p. 158.  
Quota deficits,  
proration.  
*Ante*, p. 160.

"(a) The Secretary shall from time to time determine whether, in view of the current inventory of sugar, the estimated production from the acreage of sugarcane or sugarbeets planted, the normal marketings within a calendar year of new-crop sugar and other pertinent factors, any area or country will be unable to market the quota or proration for such area or country. If the Secretary determines that any domestic area or foreign country will be unable to market the quota or proration for such area or country, he shall revise the quota for the Republic of the Philippines by prorating to it an amount of sugar which bears the same ratio to the deficit as the quota for the Republic of the Philippines determined under section 202(b) then in effect bears to the sum of such quota for the Republic of the Philippines and of the prorations to foreign countries named in section 202(c) (3) (A) then in effect; and shall allocate an amount of sugar equal to the remainder of the deficit to foreign countries within the Western Hemisphere named in section 202(c) (3) (A): *Provided*, That no part of any such deficit shall be prorated or allocated to any country not in

*Ante*, p. 157.

*Ante*, p. 158.

diplomatic relations with the United States. If the Secretary determines that the Republic of the Philippines will be unable to fill its share of any deficit determined under this subsection, he shall allocate such unfilled amount to foreign countries within the Western Hemisphere named in section 202(c)(3)(A): *Provided*, That no such allocation shall be made to any foreign country not in diplomatic relations with the United States. In making allocations to foreign countries within the Western Hemisphere under this subsection, special consideration shall be given to those countries purchasing United States agricultural commodities. If the Secretary determines that neither the Republic of the Philippines nor the countries within the Western Hemisphere named in section 202(c)(3)(A) can fill all of any such deficit whenever the provisions of section 202(c)(4) apply, he shall add such unfilled amount to the quantity of sugar which may be purchased pursuant to section 202(c)(4), and whenever section 202(c)(4) does not apply he shall apportion such unfilled amount on such basis and to such foreign countries in diplomatic relations with the United States as he determines is required to fill such deficit."

(d) Section 207(e)(2) of such Act is amended by adding at the end thereof the following new sentence: "The provisions of this paragraph shall not apply to any allocation made to a foreign country under section 202(c)(3)(C)."

(e) Section 213 of such Act, as amended, is amended—

(1) by striking out "(4)" each place it appears in subsections (a) and (b) thereof and inserting in lieu thereof "(4)(A)";

(2) by striking out "paragraph (3) of section 202(c)" in the first sentence of subsection (c) thereof and inserting in lieu thereof "paragraphs (3) and (4)(B) of section 202(c)"; and

(3) by striking out "(4)" each place it appears in the first sentence of subsection (c) thereof and inserting in lieu thereof "(4)(A)".

(f) The amendments made by this section shall be effective as if they were enacted as a part of H.R. 12154 entitled "An Act to amend and extend the provisions of the Sugar Act of 1948, as amended", Eighty-seventh Congress, second session.

Approved July 19, 1962.

## Public Law 87-540

### JOINT RESOLUTION

July 19, 1962  
[H. J. Res. 809]

To extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1963.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 336 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1963, may be conducted not later than August 31, 1962."

Approved July 19, 1962.

Wheat.  
Marketing quota,  
referendum.  
52 Stat. 55.  
7 USC 1336.

## Public Law 87-541

## AN ACT

To amend the Act of June 30, 1954, providing for a continuance of civil government for the Trust Territory of the Pacific Islands.

July 19, 1962  
[S. 2775]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the appropriation authorization in section 2 of the Act of June 30, 1954 (68 Stat. 330), is hereby amended by increasing it from \$7,500,000 to \$17,500,000: *Provided*, That not more than \$15,000,000 is authorized to be appropriated for the fiscal year 1963.

Trust Territory  
of the Pacific  
Islands.  
48 USC 1681  
note.

Approved July 19, 1962.

## Public Law 87-542

## AN ACT

To provide for the establishment and administration of basic public recreation facilities at the Elephant Butte and Caballo Reservoir areas, New Mexico, and for other purposes.

July 25, 1962  
[S. 46]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized and directed to investigate, plan, construct, operate, and maintain basic recreation facilities at Elephant Butte and Caballo Reservoirs, Rio Grande Federal reclamation project, New Mexico (including access roads and facilities for the safety, health, and protection of the visiting public), and to provide for the public use and enjoyment of such recreation facilities and the water areas of such reservoirs in such manner as is consistent with the primary purpose of such project. The cost of such recreation facilities shall be nonreimbursable and nonreturnable.

Elephant Butte  
and Caballo Res-  
ervoir areas,  
N. Mex.  
Recreation  
facilities.

SEC. 2. The construction of recreation facilities at or near Elephant Butte and Caballo Reservoirs, as herein authorized, shall not provide in any manner whatsoever a basis for the allocation of water for recreation use or for the allocation of reservoir capacity for recreation use; and the priority for irrigation use of water stored in Elephant Butte and Caballo Reservoirs and the priority of use for irrigation purposes of the capacities of such reservoirs shall not be affected in any manner by the provision for recreation facilities as authorized herein.

Water use,  
restriction.

SEC. 3. The Secretary of the Interior may issue such rules and regulations as are necessary to carry out the provisions of this Act and may enter into an agreement with the State of New Mexico, or a political subdivision thereof, for the administration, operation, and maintenance of the facilities herein authorized.

Rules and regu-  
lations.

SEC. 4. There are authorized to be appropriated such amounts, but no more than \$607,000, as may be necessary to carry out the provisions of this Act.

Appropriation.

Approved July 25, 1962.

## Public Law 87-543

July 25, 1962  
[H. R. 10606]

## AN ACT

To extend and improve the public assistance and child welfare services programs of the Social Security Act, and for other purposes.

Public Welfare  
Amendments of  
1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act, with the following table of contents, may be cited as the "Public Welfare Amendments of 1962".

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## TITLE I—PUBLIC WELFARE AMENDMENTS

PART A—IMPROVEMENT IN SERVICES TO PREVENT OR  
REDUCE DEPENDENCYSERVICES AND OTHER ADMINISTRATIVE COSTS UNDER PUBLIC  
ASSISTANCE PROGRAMS

## Federal Financial Participation in Costs of Services

SEC. 101. (a) (1) Section 3(a) of the Social Security Act is amended by striking out paragraph (4) and inserting in lieu thereof the following:

74 Stat. 989.  
 42 USC 303.  
 Post, p. 179.

"(4) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

"(A) 75 per centum of so much of such expenditures as are for—

"(i) services which are prescribed pursuant to subsection (c) (1) and are provided (in accordance with the next sentence) to applicants for or recipients of assistance under the plan to help them attain or retain capability for self-care, or

Post, p. 179.

"(ii) other services, specified by the Secretary as likely to prevent or reduce dependency, so provided to such applicants or recipients, or

"(iii) any of the services prescribed pursuant to subsection (c) (1), and of the services specified as provided in clause (ii), which the Secretary may specify as appropriate for individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of assistance under the plan, if such services are requested by such individuals and are provided to such individuals in accordance with the next sentence, or

"(iv) the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

"(B) one-half of so much of such expenditures (not included under subparagraph (A)) as are for services provided (in accordance with the next sentence) to applicants for or recipients of assistance under the plan, and to individuals requesting such services who (within such period or periods as the Secretary may prescribe) have been or are likely to become applicants for or recipients of such assistance; plus

“(C) one-half of the remainder of such expenditures. The services referred to in subparagraphs (A) and (B) shall include only—

“(D) services provided by the staff of the State agency, or of the local agency administering the State plan in the political subdivision: *Provided*, That no funds authorized under this title shall be available for services defined as vocational rehabilitation services under the Vocational Rehabilitation Act (i) which are available to individuals in need of them under programs for their rehabilitation carried on under a State plan approved under such Act, or (ii) which the State agency or agencies administering or supervising the administration of the State plan approved under such Act are able and willing to provide if reimbursed for the cost thereof pursuant to agreement under subparagraph (E), if provided by such staff, and

“(E) subject to limitations prescribed by the Secretary, services which in the judgment of the State agency cannot be as economically or as effectively provided by the staff of such State or local agency and are not otherwise reasonably available to individuals in need of them, and which are provided, pursuant to agreement with the State agency, by the State health authority or the State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act or by any other State agency which the Secretary may determine to be appropriate (whether provided by its staff or by contract with public (local) or nonprofit private agencies);

except that services described in clause (ii) of subparagraph (D) hereof may be provided only pursuant to agreement with such State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services so approved. The portion of the amount expended for administration of the State plan to which subparagraph (A) applies and the portion thereof to which subparagraphs (B) and (C) apply shall be determined in accordance with such methods and procedures as may be permitted by the Secretary.”

(2) Section 403(a) of such Act is amended to read as follows:

“(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid and services to needy families with children, for each quarter, beginning with the quarter commencing October 1, 1958—

“(1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to families with dependent children under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

“(A) fourteen-seventeenths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$17 multiplied by the total number of recipients of aid to families with dependent children for such month (which total number, for purposes of this subsection, means (i) the number of individuals with respect to whom such aid in the form of money payments is paid for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such

68 Stat. 652.  
29 USC 31 note.

72 Stat. 1048;  
Post, p. 190.  
42 USC 603.

month as aid to families with dependent children in the form of medical or any other type of remedial care); plus

“(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of \$30 multiplied by the total number of recipients of aid to families with dependent children for such month; and

“(2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as aid to families with dependent children under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds \$18 multiplied by the total number of recipients of such aid for such month; and

“(3) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

“(A) 75 per centum of so much of such expenditures as are for—

“(i) services which are prescribed pursuant to subsection (c) (1) and are provided (in accordance with the next sentence) to any relative, specified in section 406(a), with whom any dependent child (applying for or receiving aid to families with dependent children) is living in order to help such relative attain or retain capability for self-support or self-care, or services which are so prescribed and so provided in order to maintain and strengthen family life for any such child, or

“(ii) other services, specified by the Secretary as likely to prevent or reduce dependency, so provided to any such child or relative, or

“(iii) any of the services prescribed pursuant to subsection (c) (1), and of the services specified as provided in clause (ii), which the Secretary may specify as appropriate for any relative specified in section 406(a) with whom any child (who, within such period or periods as the Secretary may prescribe, has been or is likely to become an applicant for or recipient of aid to families with dependent children) is living, or as appropriate for such a child, if such services are requested by such relative and are provided to such relative or child in accordance with the next sentence, or

“(iv) the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

“(B) one-half of so much of such expenditures (not included under subparagraph (A)) as are for services provided (in accordance with the next sentence) to any relative, specified in section 406(a), with whom any child (who, within such period or periods as the Secretary may prescribe, has been or is likely to become an applicant for or recipient of aid to families with dependent children) is living, or to such child, if such services are requested by such relative or for services so provided to any child who is an applicant

*Post*, p. 180.

53 Stat. 1380.

42 USC 606.

53 Stat. 1380.  
42 USC 606.

for or recipient of such aid, or to any relative, specified in section 406(a), with whom such a child is living; plus

“(C) one-half of the remainder of such expenditures.

The services referred to in subparagraphs (A) and (B) shall include only—

“(D) services provided by the staff of the State agency, or of the local agency administering the State plan in the political subdivision: *Provided*, That no funds authorized under this title shall be available for services defined as vocational rehabilitation services under the Vocational Rehabilitation Act (i) which are available to individuals in need of them under programs for their rehabilitation carried on under a State plan approved under such Act, or (ii) which the State agency or agencies administering or supervising the administration of the State plan approved under such Act are able and willing to provide if reimbursed for the cost thereof pursuant to agreement under subparagraph (E), if provided by such staff, and

68 Stat. 652.  
29 USC 31 note.

“(E) subject to limitations prescribed by the Secretary, services which in the judgment of the State agency cannot be as economically or as effectively provided by the staff of such State or local agency and are not otherwise reasonably available to individuals in need of them, and which are provided, pursuant to agreement with the State agency, by the State health authority or the State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act or by any other State agency which the Secretary may determine to be appropriate (whether provided by its staff or by contract with public (local) or nonprofit private agencies);

except that services described in clause (ii) of subparagraph (D) hereof may be provided only pursuant to agreement with such State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services so approved. The portion of the amount expended for administration of the State plan to which subparagraph (A) applies and the portion thereof to which subparagraphs (B) and (C) apply shall be determined in accordance with such methods and procedures as may be permitted by the Secretary.”

Post, p. 195.  
42 USC 1203.  
Post, p. 180.

(3) Section 1003(a) of such Act (as amended by section 132(b) of this Act) is amended by striking out clause (3) and inserting in lieu thereof the following:

“(3) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

“(A) 75 per centum of so much of such expenditures as are for—

“(i) services which are prescribed pursuant to subsection (c) (1) and are provided (in accordance with the next sentence) to applicants for or recipients of aid to the blind to help them attain or retain capability for self-support or self-care, or

“(ii) other services, specified by the Secretary as likely to prevent or reduce dependency, so provided to such applicants or recipients, or

\*Post, p. 181.



“(iii) any of the services prescribed pursuant to subsection (c) (1), and of the services specified as provided in clause (ii), which the Secretary may specify as appropriate for individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of aid to the blind, if such services are requested by such individuals and are provided to such individuals in accordance with the next sentence, or

*Post*, p. 181.

“(iv) the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

“(B) one-half of so much of such expenditures (not included under subparagraph (A)) as are for services provided (in accordance with the next sentence) to applicants for or recipients of aid to the blind, and to individuals requesting such services who (within such period or periods as the Secretary may prescribe) have been or are likely to become applicants for or recipients of such aid; plus

“(C) one-half of the remainder of such expenditures.

The services referred to in subparagraphs (A) and (B) shall include only—

“(D) services provided by the staff of the State agency, or of the local agency administering the State plan in the political subdivision: *Provided*, That no funds authorized under this title shall be available for services defined as vocational rehabilitation services under the Vocational Rehabilitation Act (i) which are available to individuals in need of them under programs for their rehabilitation carried on under a State plan approved under such Act, or (ii) which the State agency or agencies administering or supervising the administration of the State plan approved under such Act are able and willing to provide if reimbursed for the cost thereof pursuant to agreement under subparagraph (E), if provided by such staff, and

68 Stat. 652.  
29 USC 31 note.

“(E) subject to limitations prescribed by the Secretary, services which in the judgment of the State agency cannot be as economically or as effectively provided by the staff of such State or local agency and are not otherwise reasonably available to individuals in need of them, and which are provided, pursuant to agreement with the State agency, by the State health authority or the State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act or by any other State agency which the Secretary may determine to be appropriate (whether provided by its staff or by contract with public (local) or nonprofit private agencies);

except that services described in clause (ii) of subparagraph (D) hereof may be provided only pursuant to agreement with such State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services so approved. The portion of the amount expended for administration of the State plan to which subparagraph (A) applies and the portion thereof to which subparagraphs (B) and (C) apply shall be determined in accordance with such methods and procedures as may be permitted by the Secretary.”

*Post*, p. 195.  
42 USC 1353.  
*Post*, p. 181.

(4) Section 1403(a) of such Act (as amended by section 132(c) of this Act) is amended by striking out clause (3) and inserting in lieu thereof the following:

“(3) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

“(A) 75 per centum of so much of such expenditures as are for—

*Post*, p. 181.

“(i) services which are prescribed pursuant to subsection (c) (1) and are provided (in accordance with the next sentence) to applicants for or recipients of aid to the permanently and totally disabled to help them attain or retain capability for self-support or self-care, or

“(ii) other services, specified by the Secretary as likely to prevent or reduce dependency, so provided to such applicants or recipients, or

“(iii) any of the services prescribed pursuant to subsection (c) (1), and of the services specified as provided in clause (ii), which the Secretary may specify as appropriate for individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of aid to the permanently and totally disabled, if such services are requested by such individuals and are provided to such individuals in accordance with the next sentence, or

“(iv) the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

“(B) one-half of so much of such expenditures (not included under subparagraph (A)) as are for services provided (in accordance with the next sentence) to applicants for or recipients of aid to the permanently and totally disabled, and to individuals requesting such services who (within such period or periods as the Secretary may prescribe) have been or are likely to become applicants for or recipients of such aid; plus

“(C) one-half of the remainder of such expenditures.

The services referred to in subparagraphs (A) and (B) shall include only—

“(D) services provided by the staff of the State agency, or of the local agency administering the State plan in the political subdivision: *Provided*, That no funds authorized under this title shall be available for services defined as vocational rehabilitation services under the Vocational Rehabilitation Act (i) which are available to individuals in need of them under programs for their rehabilitation carried on under a State plan approved under such Act, or (ii) which the State agency or agencies administering or supervising the administration of the State plan approved under such Act are able and willing to provide if reimbursed for the cost thereof pursuant to agreement under subparagraph (E), if provided by such staff, and

“(E) subject to limitations prescribed by the Secretary, services which in the judgment of the State agency cannot be as economically or as effectively provided by the staff of such State or local agency and are not otherwise reasonably avail-

68 Stat. 652.  
29 USC 31 note.

able to individuals in need of them, and which are provided, pursuant to agreement with the State agency, by the State health authority or the State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act or by any other State agency which the Secretary may determine to be appropriate (whether provided by its staff or by contract with public (local) or nonprofit private agencies);

68 Stat. 652.  
29 USC 31 note.

except that services described in clause (ii) of subparagraph (D) hereof may be provided only pursuant to agreement with such State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services so approved. The portion of the amount expended for administration of the State plan to which subparagraph (A) applies and the portion thereof to which subparagraphs (B) and (C) apply shall be determined in accordance with such methods and procedures as may be permitted by the Secretary."

#### Requirements for Full Federal Matching of State Administrative Expenditures

(b) (1) (A) Paragraph (4) of section 3(a) of such Act, as amended by subsection (a) of this section, is further amended by inserting, in the portion thereof which precedes subparagraph (A), "whose State plan approved under section 2 meets the requirements of subsection (c) (1)" after "any State", and by striking out the period at the end of such paragraph and inserting in lieu thereof "; and".

*Ante*, p. 173.

74 Stat. 987.  
42 USC 302.

(B) Such section 3(a) is further amended by inserting at the end thereof the following new paragraph:

"(5) in the case of any State whose State plan approved under section 2 does not meet the requirements of subsection (c) (1), an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan, including services referred to in paragraph (4) and provided in accordance with the provisions of such paragraph."

(C) Section 3 of such Act is further amended by adding at the end thereof the following new subsection:

42 USC 303.

"(c) (1) In order for a State to qualify for payments under paragraph (4) of subsection (a), its State plan approved under section 2 must provide that the State agency shall make available to applicants for or recipients of old-age assistance under such State plan at least those services to help them attain or retain capability for self-care which are prescribed by the Secretary.

*Ante*, p. 173.

"(2) In the case of any State whose State plan included a provision meeting the requirements of paragraph (1), but with respect to which the Secretary finds, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, that—

"(A) the provision has been so changed that it no longer complies with the requirements of paragraph (1), or

"(B) in the administration of the plan there is a failure to comply substantially with such provision,

the Secretary shall notify such State agency that further payments will not be made to the State under paragraph (4) of subsection (a) until he is satisfied that there will no longer be any such failure to comply. Until the Secretary is so satisfied further payments with respect to the administration of such State plan shall not be made under paragraph (4) of subsection (a) but shall instead be made,

subject to the other provisions of this title, under paragraph (5) of such subsection.”

*Ante*, p. 175.

42 USC 602.

(2) (A) Paragraph (3) of section 403(a) of such Act, as amended by subsection (a) of this section, is further amended by inserting, in the portion thereof which precedes subparagraph (A), “whose State plan approved under section 402 meets the requirements of subsection (c) (1)” after “any State”, and by striking out the period at the end of such paragraph and inserting in lieu thereof “; and”.

(B) Such section 403(a) is further amended by inserting after paragraph (3) thereof the following new paragraph:

“(4) in the case of any State whose State plan approved under section 402 does not meet the requirements of subsection (c) (1), an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan, including services referred to in paragraph (3) and provided in accordance with the provisions of such paragraph.”

42 USC 603.

(C) Section 403 of such Act is further amended by adding at the end thereof the following new subsection:

“(c) (1) In order for a State to qualify for payments under paragraph (3) of subsection (a), its State plan approved under section 402 must provide that the State agency shall make available at least those services to maintain and strengthen family life for children, and to help relatives specified in section 406(a) with whom children (who are applicants for or recipients of aid to families with dependent children) are living to attain or retain capability for self-support or self-care, which are prescribed by the Secretary.

53 Stat. 1380.  
42 USC 606.

“(2) In the case of any State whose State plan included a provision meeting the requirements of paragraph (1), but with respect to which the Secretary finds, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, that—

“(A) the provision has been so changed that it no longer complies with the requirements of paragraph (1), or

“(B) in the administration of the plan there is a failure to comply substantially with such provision,

the Secretary shall notify such State agency that further payments will not be made to the State under paragraph (3) of subsection (a) until he is satisfied that there will no longer be any such failure to comply. Until the Secretary is so satisfied further payments with respect to the administration of such State plan shall not be made under paragraph (3) of subsection (a) but shall instead be made, subject to the other provisions of this title, under paragraph (4) of such subsection.”

75 Stat. 76.  
42 USC 608.

(D) Section 408(d) of such Act is amended by inserting “and (4)” after “section 403(a) (3)”.

*Post*, p. 187.

(E) Section 409(b) of such Act (added by section 105 of this Act) is amended by inserting “and (4)” after “section 403(a) (3)”.

*Ante*, p. 176.

42 USC 1202.

(3) (A) Paragraph (3) of section 1003(a) of such Act, as amended by subsection (a) of this section, is further amended by inserting, in the portion thereof which precedes subparagraph (A), “whose State plan approved under section 1002 meets the requirements of subsection (c) (1)” after “any State”, and by striking out the period at the end of such paragraph and inserting in lieu thereof “; and”.

(B) Such section 1003(a) is further amended by inserting at the end thereof the following new paragraph:

“(4) in the case of any State whose State plan approved under section 1002 does not meet the requirements of subsection (c) (1), an amount equal to one-half of the total of the sums expended

during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan, including services referred to in paragraph (3) and provided in accordance with the provisions of such paragraph."

(C) Section 1003 of such Act is further amended by adding at the end thereof the following new subsection:

42 USC 1203.

"(c) (1) In order for a State to qualify for payments under paragraph (3) of subsection (a), its State plan approved under section 1002 must provide that the State agency shall make available to applicants for or recipients of aid to the blind at least those services to help them attain or retain capability for self-support or self-care which are prescribed by the Secretary.

*Ante*, p. 176.

"(2) In the case of any State whose State plan included a provision meeting the requirements of paragraph (1), but with respect to which the Secretary finds, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, that—

*Post*, p. 195.

"(A) the provision has been so changed that it no longer complies with the requirements of paragraph (1), or

"(B) in the administration of the plan there is a failure to comply substantially with such provision, the Secretary shall notify such State agency that further payments will not be made to the State under paragraph (3) of subsection (a) until he is satisfied that there will no longer be any such failure to comply. Until the Secretary is so satisfied further payments with respect to the administration of such State plan shall not be made under paragraph (3) of subsection (a) but shall instead be made, subject to the other provisions of this title, under paragraph (4) of such subsection."

(4) (A) Paragraph (3) of section 1403(a) of such Act, as amended by subsection (a) of this section, is further amended by inserting, in the portion thereof which precedes subparagraph (A), "whose State plan approved under section 1402 meets the requirements of subsection (c) (1)" after "any State", and by striking out the period at the end of such paragraph and inserting in lieu thereof "; and".

*Ante*, p. 178.

42 USC 1352.

(B) Such section 1403(a) is further amended by inserting at the end thereof the following new paragraph:

42 USC 1353.

"(4) in the case of any State whose State plan approved under section 1402 does not meet the requirements of subsection (c) (1), an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan, including services referred to in paragraph (3) and provided in accordance with the provisions of such paragraph."

(C) Section 1403 of such Act is further amended by adding at the end thereof the following new subsection:

"(c) (1) In order for a State to qualify for payments under paragraph (3) of subsection (a), its State plan approved under section 1402 must provide that the State agency shall make available to applicants for or recipients of aid to the permanently and totally disabled at least those services to help them attain or retain capability for self-support or self-care which are prescribed by the Secretary.

*Post*, p. 195.

"(2) In the case of any State whose State plan included a provision meeting the requirements of paragraph (1), but with respect to which the Secretary finds, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, that—

"(A) the provision has been so changed that it no longer complies with the requirements of paragraph (1), or

“(B) in the administration of the plan there is a failure to comply substantially with such provision,  
*Ante*, p. 178. the Secretary shall notify such State agency that further payments will not be made to the State under paragraph (3) of subsection (a) until he is satisfied that there will no longer be any such failure to comply. Until the Secretary is so satisfied further payments with respect to the administration of such State plan shall not be made under paragraph (3) of subsection (a) but shall instead be made, *Ante*, p. 181. subject to the other provisions of this title, under paragraph (4) of such subsection.”

#### EXPANSION AND IMPROVEMENT OF CHILD WELFARE SERVICES

##### Increase in Authorization of Appropriations

72 Stat. 1052;  
 74 Stat. 996.  
 42 USC 721.

SEC. 102. (a) Section 521 of the Social Security Act is amended by striking out “there is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1961, the sum of \$25,000,000” and inserting in lieu thereof “the following sums are hereby authorized to be appropriated: \$25,000,000 each for the fiscal year ending June 30, 1961, and the succeeding fiscal year, \$30,000,000 for the fiscal year ending June 30, 1963, \$35,000,000 for the fiscal year ending June 30, 1964, \$40,000,000 each for the fiscal year ending June 30, 1965, and the succeeding fiscal year, \$45,000,000 each for the fiscal year ending June 30, 1967, and the succeeding fiscal year, and \$50,000,000 each for the fiscal year ending June 30, 1969, and succeeding fiscal years”.

##### Coordination With Dependent Children Program and Extension of Child Welfare Services

72 Stat. 1053.  
 42 USC 723.

(b) (1) Section 523(a) of such Act is amended by striking out “each State with a plan for child-welfare services developed as provided in this part an amount equal to the Federal share” and inserting in lieu thereof “each State—

“(1) that has a plan for child-welfare services which has been developed as provided in this part and which—

“(A) provides for coordination between the services provided under such plan and the services provided for dependent children under the State plan approved under title IV, with a view to provision of welfare and related services which will best promote the welfare of such children and their families, and

“(B) provides, with respect to day care services (including the provision of such care) provided under the plan—

“(i) for cooperative arrangements with the State health authority and the State agency primarily responsible for State supervision of public schools to assure maximum utilization of such agencies in the provision of necessary health services and education for children receiving day care,

“(ii) for an advisory committee, to advise the State public welfare agency on the general policy involved in the provision of day care services under the State plan, which shall include among its members representatives of other State agencies concerned with day care or services related thereto and persons representative of professional or civic or other public or nonprofit private agencies, organizations, or groups concerned with the provision of day care,

“(iii) for such safeguards as may be necessary to assure provision of day care under the plan only in cases in which it is in the best interest of the child and the mother and only in cases in which it is determined, under criteria established by the State, that a need for such care exists; and, in cases in which the family is able to pay part or all of the costs of such care, for payment of such fees as may be reasonable in the light of such ability, and

“(iv) for giving priority, in determining the existence of need for such day care, to members of low-income or other groups in the population and to geographical areas which have the greatest relative need for extension of such day care, and

“(2) that makes a satisfactory showing that the State is extending the provision of child-welfare services in the State, with priority being given to communities with the greatest need for such services after giving consideration to their relative financial need, and with a view to making available by July 1, 1975, in all political subdivisions of the State, for all children in need thereof, child-welfare services provided by the staff (which shall to the extent feasible be composed of trained child-welfare personnel) of the State public welfare agency or of the local agency participating in the administration of the plan in the political subdivision,

an amount equal to the Federal share”.

(2) Such section 523(a) is further amended by striking out “costs of district, county, or other local child-welfare services” and inserting in lieu thereof “costs of State, district, county, or other local child-welfare services”.

72 Stat. 1053.  
42 USC 723.  
*Ante*, p. 182.

#### Allotments for Day Care

(c) (1) Section 522(a) of such Act is amended—

(A) by striking out “The sums appropriated for each fiscal year under section 521” at the beginning of such section and inserting in lieu thereof “All but \$10,000,000 of the total appropriated for a fiscal year under section 521, or, if such total is less than \$35,000,000, all but the excess (if any) of such total over \$25,000,000,”;

(B) by striking out “He shall allot to each State \$50,000 or, if greater, such portion of \$70,000 as the amount appropriated under section 521 for such year bears to the amount authorized to be so appropriated” and inserting in lieu thereof “He shall allot to each State \$70,000 or, if the amount appropriated under section 521 for such year is less than \$25,000,000, he shall allot to each State \$50,000 or, if greater, such portion of \$70,000 as the amount appropriated under such section bears to \$25,000,000”; and

(C) by striking out “the remainder of the sums so appropriated for such year” and inserting in lieu thereof “the remainder of the sum available for allotment under this subsection for such year”.

(2) Part 3 of title V of such Act is further amended by adding at the end thereof the following new section:

72 Stat. 1053;  
74 Stat. 995.  
42 USC 722.  
42 USC 721.

42 USC 721-726.

#### “DAY CARE

“SEC. 527. (a) In order to assist the States to provide adequately for the care and protection of children whose parents are, for part of the day, working or seeking work, or otherwise absent from the home or unable for other reasons to provide parental supervision, the portion of the appropriation under section 521 for any fiscal year which is not

72 Stat. 1053.  
Ante, p. 183.  
42 USC 722.

allotted under section 522 shall be allotted by the Secretary among the States solely for use, under the State plan developed as provided in this part, for day care services, including the provision of day care in facilities (including private homes) which are licensed by the State, or are approved (as meeting the standards established for such licensing) by the State agency responsible for licensing facilities of this type, as follows: He shall allot to each State an amount which bears the same ratio to such portion of the appropriation as the product of (1) the population of the State under the age of 21 and (2) the allotment percentage of such State (as determined under section 524) bears to the sum of the corresponding products of all the States, except that the allotment of any State as so computed which is less than \$10,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States (as so computed) having an allotment in excess of that amount, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than that amount.

42 USC 724.

“(b) The amount of any allotment to a State under subsection (a) for any fiscal year which the State certifies to the Secretary will not be required for the purposes for which allotted shall be available for reallocation from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines (1) have need in carrying out such purposes for sums in excess of those previously allotted to them under subsection (a), and (2) will be able to use such excess amounts during such fiscal year. Such reallocations shall be made on the basis of the need for additional funds in carrying out such purposes, after taking into consideration the population under the age of twenty-one, and the per capita income of each such State as compared with the population under the age of twenty-one, and the per capita income of all such States with respect to which such a determination by the Secretary has been made. Any amount so reallocated to a State shall be deemed part of its allotment under subsection (a).”

#### Definition of Child-Welfare Services

42 USC 721.  
Ante, p. 182.

(d)(1) Section 521 of such Act is further amended by striking out “public-welfare services (hereinafter in this title referred to as ‘child-welfare services’) for the protection and care of homeless, dependent, and neglected children, and children in danger of becoming delinquent” and inserting in lieu thereof “child-welfare services”.

Ante, p. 183.

(2) Part 3 of title V of such Act is further amended by adding after section 527 (added by subsection (c)(2) of this section) the following new section:

#### “DEFINITION

“SEC. 528. For purposes of this part, the term ‘child-welfare services’ means public social services which supplement, or substitute for, parental care and supervision for the purpose of (1) preventing or remedying, or assisting in the solution of problems which may result in, the neglect, abuse, exploitation, or delinquency of children, (2) protecting and caring for homeless, dependent, or neglected children, (3) protecting and promoting the welfare of children of working mothers, and (4) otherwise protecting and promoting the welfare of children, including the strengthening of their own homes where possible or, where needed, the provision of adequate care of children away from their homes in foster family homes or day-care or other child-care facilities.”



## WELFARE SERVICES FOR EACH CHILD UNDER DEPENDENT CHILDREN PROGRAM

SEC. 103. Section 402(a) of the Social Security Act is amended by striking out “and” after the semicolon at the end of clause (11), and by inserting before the period at the end of clause (12) the following: “; and (13) provide for the development and application of a program for such welfare and related services for each child who receives aid to families with dependent children as may be necessary in the light of the particular home conditions and other needs of such child, and provide for coordination of such programs, and any other services provided for children under the State plan, with the child-welfare services plan developed as provided in part 3 of title V, with a view toward providing welfare and related services which will best promote the welfare of such child and his family”.

42 USC 602.

## TECHNICAL AMENDMENTS TO REFLECT EMPHASIS ON REHABILITATION AND OTHER SERVICES

SEC. 104. (a) (1) The heading of title IV of the Social Security Act is amended to read as follows:

42 USC 601-608.

“TITLE IV—GRANTS TO STATES FOR AID AND SERVICES  
TO NEEDY FAMILIES WITH CHILDREN”

(2) The heading of section 402 of such Act is amended to read as follows:

42 USC 602.

“STATE PLANS FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN”

(3) The following provisions of such Act are amended by striking out “aid to dependent children” each time it appears and inserting in lieu thereof “aid to families with dependent children”:

(A) clauses (4), (7), (8), (9), and (10) of section 402(a);

(B) section 402(b);

(C) section 403(b)(2)(B);

42 USC 603.

(D) section 406(b);

42 USC 606.

(E) clause (2)(B) of section 407;

42 USC 607.

(F) section 408(b);

42 USC 608.

(G) section 408(c);

(H) section 1002(a)(7); and

42 USC 1202.

(I) section 1402(a)(7).

42 USC 1352.

(4) The second sentence of section 401 of such Act is amended by striking out “State plans for aid to dependent children” and inserting in lieu thereof “State plans for aid and services to needy families with children”.

42 USC 601.

(5) The following provisions of title IV of such Act are amended by striking out “plan for aid to dependent children” and inserting in lieu thereof “plan for aid and services to needy families with children”:

(A) the portion of section 402(a) which precedes clause (1); and

42 USC 602.

(B) the portion of section 404 which precedes clause (1).

42 USC 604.

(b) Each State plan approved under title IV of the Social Security Act and in effect on the date of the enactment of this Act shall be deemed for purposes of such title, without the necessity of any change in such plan, to have been conformed with the amendments made by subsection (a) of this section.

(c) (1) The first sentence of section 1 of such Act is amended to read as follows: “For the purpose (a) of enabling each State, as far as practicable under the conditions in such State, to furnish financial

74 Stat. 987.  
42 USC 301.

assistance to aged needy individuals, (b) of enabling each State, as far as practicable under the conditions in such State, to furnish medical assistance on behalf of aged individuals who are not recipients of old-age assistance but whose income and resources are insufficient to meet the costs of necessary medical services, and (c) of encouraging each State, as far as practicable under the conditions in such State, to furnish rehabilitation and other services to help individuals referred to in clause (a) or (b) to attain or retain capability for self-care, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title."

42 USC 601. (2) The first sentence of section 401 of such Act is amended (A) by inserting "and rehabilitation" after "financial assistance", and (B) by inserting "or retain capability for" after "attain".

42 USC 1201. (3) The first sentence of section 1001 of such Act is amended (A) by inserting "to furnish rehabilitation and other services" before "to help such individuals", and (B) by inserting "or retain capability for" after "attain".

42 USC 1351. (4) The first sentence of section 1401 of such Act is amended (A) by inserting "to furnish rehabilitation and other services" before "to help such individuals", and (B) by inserting "or retain capability for" after "attain".

#### COMMUNITY WORK AND TRAINING PROGRAMS

42 USC 601-608. SEC. 105. (a) Title IV of the Social Security Act is amended by adding at the end thereof the following new section:

#### "COMMUNITY WORK AND TRAINING PROGRAMS

"SEC. 409. (a) For the purpose of assisting the States in encouraging, through community work and training programs of a constructive nature, the conservation of work skills and the development of new skills for individuals who have attained the age of 18 and are receiving aid to families with dependent children, under conditions which are designed to assure protection of the health and welfare of such individuals and the dependent children involved, expenditures (other than for medical or any other type of remedial care) for any month with respect to a dependent child (including payments to meet the needs of any relative or relatives, specified in section 406(a), with whom he is living) under a State plan approved under section 402 shall not be excluded from aid to families with dependent children because such expenditures are made in the form of payments for work performed in such month by any one or more of the relatives with whom such child is living if such work is performed for the State agency or any other public agency under a program (which need not be in effect in all political subdivisions of the State) administered by or under the supervision of such State agency, if there is State financial participation in such expenditures, and if such State plan includes—

"(1) provisions which, in the judgment of the Secretary, provide reasonable assurance that—

"(A) appropriate standards for health, safety, and other conditions applicable to the performance of such work by such relatives are established and maintained;

"(B) payments for such work are at rates not less than the minimum rate (if any) provided by or under State law for the same type of work and not less than the rates prevailing on similar work in the community;

"(C) such work is performed on projects which serve a useful public purpose, do not result either in displacement

of regular workers or in the performance by such relatives of work that would otherwise be performed by employees of public or private agencies, institutions, or organizations, and (except in cases of projects which involve emergencies or which are generally of a nonrecurring nature) are of a type which has not normally been undertaken in the past by the State or community, as the case may be;

“(D) in determining the needs of any such relative, any additional expenses reasonably attributable to such work will be considered;

“(E) any such relative shall have reasonable opportunities to seek regular employment and to secure any appropriate training or retraining which may be available;

“(F) any such relative will, with respect to the work so performed, be covered under the State workmen’s compensation law or be provided comparable protection; and

“(G) aid under the plan will not be denied with respect to any such relative (or the dependent child) for refusal by such relative to perform any such work if he has good cause for such refusal;

“(2) provision for entering into cooperative arrangements with the system of public employment offices in the State looking toward employment or occupational training of any such relatives performing work under such program, including appropriate provision for registration and periodic reregistration of such relatives and for maximum utilization of the job placement services and other services and facilities of such offices;

“(3) provision for entering into cooperative arrangements with the State agency or agencies responsible for administering or supervising the administration of vocational education and adult education in the State, looking toward maximum utilization of available public vocational or adult education services and facilities in the State in order to encourage the training or retraining of any such relatives performing work under such program and otherwise assist them in preparing for regular employment;

“(4) provision for assuring appropriate arrangements for the care and protection of the child during the absence from the home of any such relative performing work under such program in order to assure that such absence and work will not be inimical to the welfare of the child;

“(5) provision that there will be no adjustment or recovery by the State or any political subdivision thereof on account of any payments which are correctly made for such work; and

“(6) such other provisions as the Secretary finds necessary to assure that the operation of such program will not interfere with achievement of the objectives set forth in section 401.

42 USC 601.

“(b) In the case of any State which makes expenditures in the form described in subsection (a) under its State plan approved under section 402, the proper and efficient administration of the State plan, for purposes of section 403(a) (3), may not include the cost of making or acquiring materials or equipment in connection with the work performed under a program referred to in subsection (a) or the cost of supervision of work under such program, and may include only such other costs attributable to such programs as are permitted by the Secretary.”

42 USC 602, 603.

(b) The Secretary shall submit to the President, for transmission to the Congress prior to January 1, 1967, a full report of the administration of the provisions of the amendment made by subsection (a), including the experiences of each of the States in paying for work

Report to President and Congress.

under community work and training programs under the provisions of their respective State plans which are in accord with such amendment, together with his recommendations as to continuation of and modifications in such amendment.

(c) Expenditures (other than for medical or any other type of remedial care) made at any time during the period beginning July 1, 1961, and ending with the close of September 30, 1962, which would have been considered aid to dependent children or aid to families with dependent children, as the case may be, under a State plan approved under title IV of the Social Security Act except that they were made in the form of payments for work performed by a relative with whom a dependent child (as defined in section 406 or 407 of such Act) is living, shall be deemed to have been made under a State plan approved under title IV of the Social Security Act and to constitute aid to dependent children or aid to families with dependent children, as the case may be, if (1) such expenditures were made under conditions which meet the requirements set forth in section 409 of such Act (added by subsection (a) of this section), other than subparagraphs (D) and (F) of subsection (a) (1) thereof and other than the requirement that the State agency (administering or supervising the administration of such plan) be administering or supervising the administration of the program under which such work is performed, and (2) at the time such expenditures were made, such State plan met the requirements of paragraphs (1), (2), and (3) of section 407 of the Social Security Act. The costs of administration of any such State plan may include, with respect to expenditures described in the preceding sentence, only such costs as are permitted in accordance with the provisions of subsection (b) of such section 409.

INCENTIVES FOR EMPLOYMENT THROUGH CONSIDERATION OF EXPENSES IN EARNING INCOME, AND PROVISION FOR FUTURE NEEDS OF DEPENDENT CHILDREN

SEC. 106. (a) (1) Section 2(a) of the Social Security Act is amended by inserting before the semicolon at the end of subparagraph (A) of paragraph (10) “, as well as any expenses reasonably attributable to the earning of any such income”.

(2) Section 1002(a) (8) of such Act is amended by inserting before the first semicolon “, as well as any expenses reasonably attributable to the earning of any such income”.

(3) Section 1402(a) (8) of such Act is amended by inserting before the semicolon at the end thereof “, as well as any expenses reasonably attributable to the earning of any such income”.

(b) Section 402(a) (7) of such Act is amended to read as follows: “(7) provide that the State agency shall, in determining need, take into consideration any other income and resources of any child or relative claiming aid to families with dependent children, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination, the State agency may, subject to limitations prescribed by the Secretary, permit all or any portion of the earned or other income to be set aside for future identifiable needs of a dependent child;”.

USE OF PAYMENTS FOR BENEFIT OF CHILD

SEC. 107. (a) Section 405 of the Social Security Act is amended to read as follows:

“USE OF PAYMENTS FOR BENEFIT OF CHILD

“SEC. 405. Whenever the State agency has reason to believe that any payments of aid to families with dependent children made with respect to a child are not being or may not be used in the best interests of the child, the State agency may provide for such counseling

and guidance services with respect to the use of such payments and the management of other funds by the relative receiving such payments as it deems advisable in order to assure use of such payments in the best interests of such child, and may provide for advising such relative that continued failure to so use such payments will result in substitution therefor of protective payments as provided under section 406(b)(2), or in seeking appointment of a guardian or legal representative as provided in section 1111, or in the imposition of criminal or civil penalties authorized under State law if it is determined by a court of competent jurisdiction that such relative is not using or has not used for the benefit of the child any such payments made for that purpose; and the provision of such services or advice by the State agency (or the taking of the action specified in such advice) shall not serve as a basis for withholding funds from such State under section 404 and shall not prevent such payments with respect to such child from being considered aid to families with dependent children."

*Infra.*

72 Stat. 1052.  
42 USC 1311.

42 USC 604.

(b) Section 404(b) of such Act is amended by inserting before the period at the end thereof the following: "; nor shall any such payment be withheld for any period beginning on or after such date by reason of any action taken pursuant to such a statute if provision is otherwise made pursuant to a State statute for adequate care and assistance with respect to such child".

75 Stat. 77.  
42 USC 604.

#### PROTECTIVE PAYMENTS UNDER DEPENDENT CHILDREN PROGRAM

SEC. 108. (a) Section 406(b) of the Social Security Act is amended by inserting "(1)" after "includes" and by inserting before the semicolon at the end thereof: ", and (2) payments with respect to any dependent child (including payments to meet the needs of the relative, and the relative's spouse, with whom such child is living) which do not meet the preceding requirements of this subsection, but which would meet such requirements except that such payments are made to another individual who (as determined in accordance with standards prescribed by the Secretary) is interested in or concerned with the welfare of such child and relative, but only with respect to a State whose State plan approved under section 402 includes provision for—

42 USC 606.

42 USC 602.

"(A) determination by the State agency that the relative of the child with respect to whom such payments are made has such inability to manage funds that making payments to him would be contrary to the welfare of the child and, therefore, it is necessary to provide such aid with respect to such child and relative through payments described in this clause (2);

"(B) making such payments only in cases in which such payments will, under the rules otherwise applicable under the State plan for determining need and the amount of aid to families with dependent children to be paid (and in conjunction with other income and resources), meet all the need of the individuals with respect to whom such payments are made;

"(C) undertaking and continuing special efforts to develop greater ability on the part of the relative to manage funds in such manner as to protect the welfare of the family;

"(D) periodic review by such State agency of the determination under clause (A) to ascertain whether conditions justifying such determination still exist, with provision for termination of such payments if they do not and for seeking judicial appointment of a guardian or other legal representative, as described in section 1111, if and when it appears that the need for such payments is continuing, or is likely to continue, beyond a period specified by the Secretary;

42 USC 1311.

“(E) aid in the form of foster home care in behalf of children described in section 408(a); and

75 Stat. 76.  
42 USC 608.

“(F) opportunity for a fair hearing before the State agency on the determination referred to in clause (A) for any individual with respect to whom it is made”.

*Ante*, p. 174,  
and *Infra*.

(b) Section 403(a) of such Act, as amended by the other provisions of this Act, is further amended by adding at the end thereof (after and below the last paragraph thereof) the following new sentence: “The number of individuals with respect to whom payments described in section 406(b)(2) are made for any month, who may be included as recipients of aid to families with dependent children for purposes of paragraph (1) or (2), may not exceed 5 per centum of the number of other recipients of aid to families with dependent children for such month.”

*Ante*, p. 189.

*Ante*, pp. 174,  
175.

*Ante*, p. 174.

(c) Paragraph (1)(A) of such section 403(a) (as amended by section 101(a)(2) of this Act) is amended by inserting immediately after “remedial care” the following: “, plus (iii) the number of individuals, not counted under clause (i) or (ii), with respect to whom payments described in section 406(b)(2) are made in such month and included as expenditures for purposes of this paragraph or paragraph (2)”.

*Ante*, p. 175.  
Report to President and Congress.

(d) The Secretary shall submit to the President, for transmission to the Congress prior to January 1, 1967, a full report of the administration of the provisions of the amendments made by this section, including the experiences of each of the States in making protective payments under the provisions of their respective State plans which are in accord with such amendments, together with his recommendations as to continuation of and modifications in such amendments.

#### AID FOR BOTH PARENTS OF DEPENDENT CHILD

SEC. 109. Section 406(b) of the Social Security Act, as amended by section 108 of this Act, is amended by inserting “(and the spouse of such relative if living with him and if such relative is the child’s parent and the child is a dependent child by reason of the physical or mental incapacity of a parent or is a dependent child under section 407)” after “relative with whom any dependent child is living” in clause (1) thereof.

*Ante*, p. 189.  
42 USC 606.

75 Stat. 75.  
42 USC 607.

#### PART B—IMPROVEMENT IN ADMINISTRATION THROUGH DEMONSTRATIONS, TRAINING, AND PUBLIC ADVISORY GROUPS

##### ADVISORY COUNCIL ON PUBLIC WELFARE

SEC. 121. Title XI of the Social Security Act is amended by adding at the end thereof the following new section:

42 USC 1301-  
1313.

##### “APPOINTMENT OF ADVISORY COUNCIL AND OTHER ADVISORY GROUPS

“SEC. 1114. (a) The Secretary shall, during 1964, appoint an Advisory Council on Public Welfare for the purpose of reviewing the administration of the public assistance and child welfare services programs for which funds are appropriated pursuant to this Act and making recommendations for improvement of such administration, and reviewing the status of and making recommendations with respect to the public assistance programs for which funds are so appropriated, especially in relation to the old-age, survivors, and disability insurance program, with respect to the fiscal capacities of the States and the Federal Government, and with respect to any other matters bearing on the amount and proportion of the Federal and State shares in the public assistance and child welfare services programs.

“(b) The Council shall be appointed by the Secretary without regard to the civil-service laws and shall consist of twelve persons who shall, to the extent possible, be representatives of employers and employees in equal numbers, representatives of State or Federal agencies concerned with the administration or financing of the public assistance and child welfare services programs, representatives of nonprofit private organizations concerned with social welfare programs, other persons with special knowledge, experience, or qualifications with respect to such programs, and members of the public.

“(c) The Council is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

“(d) The Council shall make a report of its findings and recommendations (including recommendations for changes in the provisions of the Social Security Act) to the Secretary, such report to be submitted not later than July 1, 1966, after which date such Council shall cease to exist.

Report.  
Termination.  
  
49 Stat. 620.  
42 USC 1305.

“(e) The Secretary shall also from time to time thereafter appoint an Advisory Council on Public Welfare, with the same functions and constituted in the same manner as prescribed for the Advisory Council in the preceding subsections of this section. Each Council so appointed shall report its findings and recommendations, as prescribed in subsection (d), not later than July 1 of the second year after the year in which it is appointed, after which date such Council shall cease to exist.

Appointment.

Report.  
Termination.

“(f) The Secretary may also appoint, without regard to the civil-service laws, such advisory committees as he may deem advisable to advise and consult with him in carrying out any of his functions under this Act. The Secretary shall report to the Congress annually on the number of such committees and on the membership and activities of each such committee.

Advisory committees.

Report to Congress.

“(g) Members of the Council or of any advisory committee appointed under this section who are not regular full-time employees of the United States shall, while serving on business of the Council or any such committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding \$75 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in Government service employed intermittently.

Compensation.

75 Stat. 339, 340.

“(h) (1) Any member of the Council or any advisory committee appointed under this Act, who is not a regular full-time employee of the United States, is hereby exempted, with respect to such appointment, from the operation of sections 281, 283, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99), except as otherwise specified in paragraph (2) of this subsection.

Conflict of interest.

62 Stat. 697, 793.

“(2) The exemption granted by paragraph (1) shall not extend—

“(A) to the receipt or payment of salary in connection with the appointee's Government service from any source other than the employer of the appointee at the time of his appointment, or

“(B) during the period of such appointment, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter with which such person, during such period, is or was directly connected by reason of such appointment.”

WAIVER OF STATE PLAN REQUIREMENTS FOR DEMONSTRATIONS

42 USC 1301-1314.

SEC. 122. Title XI of the Social Security Act is amended by adding after section 1114 (added by section 121 of this Act) the following new section:

“DEMONSTRATION PROJECTS

“SEC. 1115. In the case of any experimental, pilot, or demonstration project which, in the judgment of the Secretary, is likely to assist in promoting the objectives of title I, IV, X, XIV, or XVI in a State or States—

42 USC 301-306, 601-608, 1201-1206, 1351-1355, *Post*, p. 197.

“(a) the Secretary may waive compliance with any of the requirements of section 2, 402, 1002, 1402, or 1602, as the case may be, to the extent and for the period he finds necessary to enable such State or States to carry out such project, and

42 USC 302, 602, 1202, 1352, *Post*, p. 198.

“(b) costs of such project which would not otherwise be included as expenditures under section 3, 403, 1003, 1403, or 1603, as the case may be, and which are not included as part of the costs of projects under section 1110, shall, to the extent and for the period prescribed by the Secretary, be regarded as expenditures under the State plan or plans approved under such title, or for administration of such State plan or plans, as may be appropriate.

70 Stat. 851.  
42 USC 1310.

In addition, not to exceed \$2,000,000 of the aggregate amount appropriated for payments to States under such titles for any fiscal year ending prior to July 1, 1967, shall be available, under such terms and conditions as the Secretary may establish, for payments to States to cover so much of the cost of such projects as is not covered by payments under such titles and is not included as part of the cost of projects for purposes of section 1110.”

INCREASE IN ADEQUATELY TRAINED WELFARE PERSONNEL

70 Stat. 851;  
75 Stat. 77.  
42 USC 906.

SEC. 123. (a) Subsection (a) of section 705 of the Social Security Act is amended by striking out “for the fiscal year ending June 30, 1958, the sum of \$5,000,000, and for each of the five succeeding fiscal years such sums as the Congress may determine” and inserting in lieu thereof the following: “for the fiscal year ending June 30, 1963, the sum of \$3,500,000, and for each fiscal year thereafter the sum of \$5,000,000”.

70 Stat. 851.

(b) Subsection (b) of such section is amended to read as follows:

“(b) Such portion of the sums appropriated pursuant to subsection (a) for any fiscal year as the Secretary may determine, but not in excess of \$1,000,000 in the case of the fiscal year ending June 30, 1963, and \$2,000,000 in the case of any fiscal year thereafter, shall be available for carrying out subsection (f). From the remainder of the sums so appropriated for any fiscal year, the Secretary shall make allotments to the States on the basis of (1) population, (2) relative need for trained public welfare personnel, particularly for personnel to provide self-support and self-care services, and (3) financial need.”

(c) Such section 705 is further amended by adding at the end thereof the following new subsection:

“(f) (1) The portion of the sums appropriated for any fiscal year which is determined by the Secretary under the first sentence of subsection (b) to be available for carrying out this subsection shall be available to enable him to provide (A) directly or through grants to or contracts with public or nonprofit private institutions of higher learning, for training personnel who are employed or preparing for employment in the administration of public assistance programs, (B) directly or through grants to or contracts with public or nonprofit



private agencies or institutions, for special courses of study or seminars of short duration (not in excess of one year) for training of such personnel, and (C) directly or through grants to or contracts with public or nonprofit private institutions of higher learning, for establishing and maintaining fellowships or traineeships for such personnel at such institutions, with such stipends and allowances as may be permitted by the Secretary.

“(2) Payments under paragraph (1) may be made in advance on the basis of estimates by the Secretary, or may be made by way of reimbursement, and adjustments may be made in future payments under this subsection to take account of overpayments or underpayments in amounts previously paid.

“(3) The Secretary may, to the extent he finds such action to be necessary, prescribe requirements to assure that any individual will repay the amount of his fellowship or traineeship received under this subsection to the extent such individual fails to serve, for the period prescribed by the Secretary, with a State or political subdivision thereof, or with the Federal Government, in connection with administration of any State or local public assistance program. The Secretary may relieve any individual of his obligation to so repay, in whole or in part, whenever and to the extent that requirement of such repayment would, in his judgment, be inequitable or would be contrary to the purposes of any of the public welfare programs established by this Act.”

(d) (1) Section 526(a) of such Act is amended by inserting before the period at the end thereof “; and for grants by the Secretary to public or other nonprofit institutions of higher learning for special projects for training personnel for work in the field of child welfare, including traineeships with such stipends and allowances as may be permitted by the Secretary”.

74 Stat. 997.  
42 USC 726.

(2) The heading of section 526 of such Act is amended by inserting “, TRAINING,” after “RESEARCH”.

#### PART C—IMPROVEMENT OF PUBLIC WELFARE PROGRAMS THROUGH EXTENSION OF TEMPORARY PROVISIONS AND INCREASE IN FEDERAL SHARE OF PUBLIC ASSISTANCE PAYMENTS

##### EXTENSION OF AID WITH RESPECT TO DEPENDENT CHILDREN OF UNEMPLOYED PARENTS OR IN FOSTER FAMILY HOMES

###### Extension With Respect to Children of Unemployed Parents

SEC. 131. (a) So much of the first sentence of section 407 of the Social Security Act as precedes paragraph (1) thereof is amended by striking out “1962” and inserting in lieu thereof “1967”.

75 Stat. 75.  
42 USC 607.

###### Extension With Respect to Foster Family Home Care

(b) So much of the first sentence of section 408 of such Act as precedes paragraph (a) thereof is amended by striking out “, and ending with the close of June 30, 1962”.

42 USC 608.

##### INCREASE IN FEDERAL SHARE OF PUBLIC ASSISTANCE PAYMENTS

SEC. 132. (a) Paragraphs (1) and (2) of section 3(a) of the Social Security Act are amended to read as follows:

“(1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance under the State plan (including expenditures

72 Stat. 1047;  
75 Stat. 143.  
42 USC 303.

for insurance premiums for medical or any other type of remedial care or the cost thereof)—

“(A)  $29\frac{1}{3}\%$  of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$35 multiplied by the total number of recipients of old-age assistance for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received old-age assistance in the form of money payments for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as old-age assistance in the form of medical or any other type of remedial care); plus

“(B) the Federal percentage (as defined in section 1101 (a)(8)) of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of \$70 multiplied by the total number of such recipients of old-age assistance for such month; plus

“(C) the larger of the following: (i) the Federal medical percentage (as defined in section 6(c)) of the amount by which such expenditures exceed the maximum which may be counted under clause (B), not counting so much of any expenditure with respect to any month as exceeds (I) the product of \$85 multiplied by the total number of such recipients of old-age assistance for such month, or (II) if smaller, the total expended as old-age assistance in the form of medical or any other type of remedial care with respect to such month plus the product of \$70 multiplied by such total number of such recipients, or (ii) 15 per centum of the total of the sums expended during such quarter as old-age assistance under the State plan in the form of medical or any other type of remedial care, not counting so much of any expenditure with respect to any month as exceeds the product of \$15 multiplied by the total number of such recipients of old-age assistance for such month;

“(2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to—

“(A) one-half of the total of the sums expended during such quarter as old-age assistance under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds \$37.50 multiplied by the total number of recipients of old-age assistance for such month; plus

“(B) the larger of the following amounts: (i) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds (I) the product of \$45 multiplied by the total number of such recipients of old-age assistance for such month, or (II) if smaller, the total expended as old-age assistance in the form of medical or any other type of remedial care with respect to such month plus the product of \$37.50 multiplied by the total number of such recipients, or (ii) 15 per centum of the total of the sums expended during such quarter as old-age assistance under the State plan in the form of medical or any other type of remedial care, not counting so much of any expenditure with respect to any month as exceeds the

product of \$7.50 multiplied by the total number of such recipients of old-age assistance for such month;”.

(b) So much of section 1003(a) of such Act as precedes clause (3) is amended to read as follows:

72 Stat. 1049;  
75 Stat. 143  
42 USC 1203.

“(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the blind, for each quarter, beginning with the quarter commencing October 1, 1958—

“(1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the blind under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

“(A)  $29\frac{2}{35}$  of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$35 multiplied by the total number of recipients of aid to the blind for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received aid to the blind in the form of money payments for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as aid to the blind in the form of medical or any other type of remedial care); plus

“(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of \$70 multiplied by the total number of such recipients of aid to the blind for such month; and

“(2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds \$37.50 multiplied by the total number of recipients of aid to the blind for such month; and”.

(c) So much of section 1403(a) of such Act as precedes clause (3) is amended to read as follows:

42 USC 1353.

“(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the permanently and totally disabled, for each quarter, beginning with the quarter commencing October 1, 1958—

“(1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the permanently and totally disabled under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

“(A)  $29\frac{2}{35}$  of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$35 multiplied by the total number of recipients of aid to the permanently and totally disabled for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received aid to the permanently and totally disabled in the form of money payments for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month

as aid to the permanently and totally disabled in the form of medical or any other type of remedial care); plus

“(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of \$70 multiplied by the total number of such recipients of aid to the permanently and totally disabled for such month; and

“(2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds \$37.50 multiplied by the total number of recipients of aid to the permanently and totally disabled for such month; and”.

Repeal.

75 Stat. 143, 78.

42 USC 1308 and notes.

(d) Section 303(d) of the Social Security Amendments of 1961 (Public Law 87-64), and section 6 of the Act of May 8, 1961 (Public Law 87-31), are repealed.

42 USC 303 note.

(e) Section 303(e) of the Social Security Amendments of 1961 (Public Law 87-64) is amended by striking out “July 1, 1962” and inserting in lieu thereof “October 1, 1962”.

#### EXTENSION OF ASSISTANCE TO REPATRIATED AMERICAN CITIZENS

42 USC 1313.

SEC. 133. Subsection (d) of section 1113 of the Social Security Act is amended by striking out “1962” and inserting in lieu thereof “1964”.

#### REFUSAL OF UNEMPLOYED PARENT TO ACCEPT RETRAINING

42 USC 607.

SEC. 134. Paragraph (3) of section 407 of the Social Security Act is amended by inserting “(A)” after “provision” and by inserting before the period at the end thereof “, and (B) for denying aid to families with dependent children to any such child or relative if, and for as long as, the unemployed parent refuses without good cause to undergo any such retraining”.

#### FEDERAL PAYMENTS FOR FOSTER CARE IN CHILD-CARE INSTITUTIONS

42 USC 608.

SEC. 135. (a) Clause (3) of paragraph (a) of section 408 of the Social Security Act is amended by inserting “or child-care institution” after “foster family home”.

(b) Paragraph (b) of such section is amended by striking out “of this section in the foster family home of any individual” and inserting in lieu thereof the following: “of this section—

“(1) in the foster family home of any individual, whether the payment therefor is made to such individual or to a public or nonprofit private child-placement or child-care agency, or

“(2) in a child-care institution, whether the payment therefor is made to such institution or to a public or nonprofit private child-placement or child-care agency, but subject to limitations prescribed by the Secretary with a view to including as ‘aid to families with dependent children’ in the case of such foster care in such institutions only those items which are included in such term in the case of foster care in the foster family home of an individual”.

(c) Clauses (1) and (2) of paragraph (f) of such section are each amended by inserting “or child-care institution” after “foster family home”.

(d) The last sentence of such section is amended by inserting before the period at the end thereof the following: “; and the term ‘child-care institution’ means a nonprofit private child-care institution which is licensed by the State in which it is situated or has been approved, by the agency of such State responsible for licensing or approval of institutions of this type, as meeting the standards established for such licensing”.

(e) The amendments made by the preceding provisions of this section shall be effective only in the case of expenditures under a State plan approved under title IV of the Social Security Act made during the period beginning October 1, 1962, and ending with the close of September 30, 1964.

42 USC 601-608.

#### CERTAIN STATE PLANS NOT MEETING INCOME AND RESOURCES REQUIREMENTS FOR THE BLIND

SEC. 136. (a) Section 1002(b) of the Social Security Act is amended by adding at the end thereof (after and below paragraph (2)) the following new sentence:

49 Stat. 645.  
42 USC 1202.

“In the case of any State (other than Puerto Rico and the Virgin Islands) which did not have on January 1, 1949, a State plan for aid to the blind approved under this title, the Secretary shall approve a plan of such State for aid to the blind for purposes of this title, even though it does not meet the requirements of clause (8) of subsection (a) of this section, if it meets all other requirements of this title for an approved plan for aid to the blind; but payments under section 1003 shall be made, in the case of any such plan, only with respect to expenditures thereunder which would be included as expenditures for the purposes of section 1003 under a plan approved under this section without regard to the provisions of this sentence.”

74 Stat. 997.  
42 USC 1202.

42 USC 1203.

(b) Section 344 of the Social Security Act Amendments of 1950 is repealed.

64 Stat. 554;  
74 Stat. 995.  
42 USC 1202a  
and note.

#### PART D—SIMPLIFICATION OF CATEGORIES

##### OPTIONAL COMBINED STATE PLAN FOR AGED, BLIND, AND DISABLED

SEC. 141. (a) The Social Security Act is amended by adding after title XV the following new title:

68 Stat. 1130.  
42 USC 1361-  
1371.

“TITLE XVI—GRANTS TO STATES FOR AID TO THE AGED, BLIND, OR DISABLED, OR FOR SUCH AID AND MEDICAL ASSISTANCE FOR THE AGED

##### “APPROPRIATION

“SEC. 1601. For the purpose (a) of enabling each State, as far as practicable under the conditions in such State, to furnish financial assistance to needy individuals who are 65 years of age or over, are blind, or are 18 years of age or over and permanently and totally disabled, (b) of enabling each State, as far as practicable under the conditions in such State, to furnish medical assistance on behalf of individuals who are 65 years of age or over and who are not recipients of aid to the aged, blind, or disabled but whose income and resources are insufficient to meet the costs of necessary medical services, and (c) of encouraging each State, as far as practicable under the conditions in such State, to furnish rehabilitation and other services to help individuals referred to in clause (a) or (b) to attain or retain capability for self-support or self-care, there is hereby authorized to be

appropriated for each fiscal year a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare, State plans for aid to the aged, blind, or disabled, or for aid to the aged, blind, or disabled and medical assistance for the aged.

**"STATE PLANS FOR AID TO THE AGED, BLIND, OR DISABLED, OR FOR SUCH AID AND MEDICAL ASSISTANCE FOR THE AGED**

**"SEC. 1602. (a)** A State plan for aid to the aged, blind, or disabled, or for aid to the aged, blind, or disabled and medical assistance for the aged, must—

**"(1)** provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;

**"(2)** provide for financial participation by the State;

**"(3)** either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan;

**"(4)** provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for aid or assistance under the plan is denied or is not acted upon with reasonable promptness;

**"(5)** provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

**"(6)** provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

**"(7)** provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the plan;

**"(8)** provide that all individuals wishing to make application for aid or assistance under the plan shall have opportunity to do so, and that such aid or assistance shall be furnished with reasonable promptness to all eligible individuals;

**"(9)** provide, if the plan includes aid or assistance to or on behalf of individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions;

**"(10)** provide a description of the services (if any) which the State agency makes available to applicants for or recipients of aid or assistance under the plan to help them attain self-support or self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services;

**"(11)** provide that no aid or assistance will be furnished any individual under the plan with respect to any period with respect to which he is receiving assistance under the State plan approved under title I or aid under the State plan approved under title IV, X, or XIV;

“(12) provide that, in determining whether an individual is blind, there shall be an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

“(13) include reasonable standards, consistent with the objectives of this title, for determining eligibility for and the extent of aid or assistance under the plan;

“(14) provide that the State agency shall, in determining need for aid to the aged, blind, or disabled, take into consideration any other income and resources of an individual claiming such aid, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination with respect to any individual who is blind, the State agency shall disregard (A) the first \$85 per month of earned income plus one-half of earned income in excess of \$85 per month and (B) for a period not in excess of twelve months, such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan, and in making such determination with respect to any other individual who has attained age 65 and is claiming aid to the aged, blind, or disabled, of the first \$50 per month of earned income the State agency may, after December 31, 1962, disregard not more than the first \$10 thereof plus one-half of the remainder; and

“(15) if the State plan includes medical assistance for the aged—

“(A) provide for inclusion of some institutional and some noninstitutional care and services;

“(B) provide that no enrollment fee, premium, or similar charge will be imposed as a condition of any individual's eligibility for medical assistance for the aged under the plan;

“(C) provide for inclusion, to the extent required by regulations prescribed by the Secretary, of provisions (conforming to such regulations) with respect to the furnishing of such assistance to individuals who are residents of the State but are absent therefrom; and

“(D) provide that no lien may be imposed against the property of any individual prior to his death on account of medical assistance for the aged paid or to be paid on his behalf under the plan (except pursuant to the judgment of a court on account of benefits incorrectly paid on behalf of such individual), and that there shall be no adjustment or recovery (except, after the death of such individual and his surviving spouse, if any, from such individual's estate) of any medical assistance for the aged correctly paid on behalf of such individual under the plan.

Notwithstanding paragraph (3), if on January 1, 1962, and on the date on which a State submits its plan for approval under this title, the State agency which administered or supervised the administration of the plan of such State approved under title X was different from the State agency which administered or supervised the administration of the plan of such State approved under title I and the State agency which administered or supervised the administration of the plan of such State approved under title XIV, the State agency which administered or supervised the administration of such plan approved under title X may be designated to administer or supervise the administration of the portion of the State plan for aid to the aged, blind, or disabled (or for aid to the aged, blind, or disabled and medical assistance for the aged) which relates to blind individuals and a separate

42 USC 1201-1206.

42 USC 301-306.

42 USC 1351-1355.

State agency may be established or designated to administer or supervise the administration of the rest of such plan; and in such case the part of the plan which each such agency administers, or the administration of which each such agency supervises, shall be regarded as a separate plan for purposes of this title.

“(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes, as a condition of eligibility for aid or assistance under the plan—

“(1) an age requirement of more than sixty-five years; or

“(2) any residence requirement which (A) in the case of applicants for aid to the aged, blind, or disabled excludes any resident of the State who has resided therein five years during the nine years immediately preceding the application for such aid and has resided therein continuously for one year immediately preceding the application, and (B) in the case of applicants for medical assistance for the aged, excludes any individual who resides in the State; or

“(3) any citizenship requirement which excludes any citizen of the United States.

In the case of any State to which the provisions of section 344 of the Social Security Act Amendments of 1950 were applicable on January 1, 1962, and to which the sentence of section 1002(b) following paragraph (2) thereof is applicable on the date on which its State plan for aid to the aged, blind, or disabled (or for aid to the aged, blind, or disabled and medical assistance for the aged) was submitted for approval under this title, the Secretary shall approve the plan of such State for aid to the aged, blind, or disabled (or for aid to the aged, blind, or disabled and medical assistance for the aged) for purposes of this title, even though it does not meet the requirements of paragraph (14) of subsection (a), if it meets all other requirements of this title for an approved plan for aid to the aged, blind, or disabled (or for aid to the aged, blind, or disabled and medical assistance for the aged); but payments under section 1603 shall be made, in the case of any such plan, only with respect to expenditures thereunder which would be included as expenditures for the purposes of section 1603 under a plan approved under this section without regard to the provisions of this sentence.

“(c) Subject to the last sentence of subsection (a), nothing in this title shall be construed to permit a State to have in effect with respect to any period more than one State plan approved under this title.

#### “PAYMENTS TO STATES

“SEC. 1603. (a) From the sums appropriated therefor, the Secretary shall pay to each State which has a plan approved under this title, for each quarter, beginning with the quarter commencing October 1, 1962—

“(1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the aged, blind, or disabled under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

“(A)  $2\frac{9}{35}$  of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$35 multiplied by the total number of recipients of such aid for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received such aid in the form of money payments for such

64 Stat. 554;  
74 Stat. 995.  
42 USC 1202a  
and note.  
Ante, p. 197.



month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as aid to the aged, blind, or disabled in the form of medical or any other type of remedial care); plus

“(B) the Federal percentage (as defined in section 1101 (a) (8)) of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of \$70 multiplied by the total number of recipients of aid to the aged, blind, or disabled for such month; plus

72 Stat. 1050.  
42 USC 1301.

“(C) the larger of the following: (i) the Federal medical percentage (as defined in section 6(c)) of the amount by which such expenditures exceed the maximum which may be counted under clause (B), not counting so much of any expenditure with respect to any month as exceeds (I) the product of \$85 multiplied by the total number of such recipients of aid to the aged, blind, or disabled for such month, or (II) if smaller, the total expended as aid to the aged, blind, or disabled in the form of medical or any other type of remedial care with respect to such month plus the product of \$70 multiplied by such total number of such recipients, or (ii) 15 per centum of the total of the sums expended during such quarter as aid to the aged, blind, or disabled under the State plan in the form of medical or any other type of remedial care, not counting so much of any expenditure with respect to any month as exceeds the product of \$15 multiplied by the total number of such recipients of aid to the aged, blind, or disabled for such month;

74 Stat. 991.  
42 USC 306.

“(2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to—

“(A) one-half of the total of the sums expended during such quarter as aid to the aged, blind, or disabled under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds \$37.50 multiplied by the total number of recipients of aid to the aged, blind, or disabled for such month; plus

“(B) the larger of the following amounts: (i) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds (I) the product of \$45 multiplied by the total number of such recipients of aid to the aged, blind, or disabled for such month, or (II) if smaller, the total expended as aid to the aged, blind, or disabled in the form of medical or any other type of remedial care with respect to such month plus the product of \$37.50 multiplied by the total number of such recipients, or (ii) 15 per centum of the total of the sums expended during such quarter as aid to the aged, blind, or disabled under the State plan in the form of medical or any other type of remedial care, not counting so much of any expenditure with respect to any month as exceeds the product of \$7.50 multiplied by the total number of such recipients of aid to the aged, blind, or disabled for such month;

“(3) in the case of any State, an amount equal to the Federal medical percentage (as defined in section 6(c)) of the total amounts expended during such quarter as medical assistance for

the aged under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof); and

*Post*, p. 203.

“(4) in the case of any State whose State plan approved under section 1602 meets the requirements of subsection (c)(1), an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

“(A) 75 per centum of so much of such expenditures as are for—

“(i) services which are prescribed pursuant to subsection (c)(1) and are provided (in accordance with the next sentence) to applicants for or recipients of aid or assistance under the plan to help them attain or retain capability for self-support or self-care, or

“(ii) other services, specified by the Secretary as likely to prevent or reduce dependency, so provided to such applicants or recipients, or

“(iii) any of the services prescribed pursuant to subsection (c)(1), and of the services specified as provided in clause (ii), which the Secretary may specify as appropriate for individuals who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of aid or assistance under the plan, if such services are requested by such individuals and are provided to such individuals in accordance with the next sentence, or

“(iv) the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

“(B) one-half of so much of such expenditures (not included under subparagraph (A)) as are for services provided (in accordance with the next sentence) to applicants for or recipients of aid or assistance under the plan, and to individuals requesting such services who (within such period or periods as the Secretary may prescribe) have been or are likely to become applicants for or recipients of such aid or assistance; plus

“(C) one-half of the remainder of such expenditures.

The services referred to in subparagraphs (A) and (B) shall include only—

“(D) services provided by the staff of the State agency, or of the local agency administering the State plan in the political subdivision: *Provided*, That no funds authorized under this title shall be available for services defined as vocational rehabilitation services under the Vocational Rehabilitation Act (i) which are available to individuals in need of them under programs for their rehabilitation carried on under a State plan approved under such Act, or (ii) which the State agency or agencies administering or supervising the administration of the State plan approved under such Act are able and willing to provide if reimbursed for the cost thereof pursuant to agreement under subparagraph (E), if provided by such staff, and

“(E) subject to limitations prescribed by the Secretary, services which in the judgment of the State agency cannot be as economically or as effectively provided by the staff of

such State or local agency and are not otherwise reasonably available to individuals in need of them, and which are provided, pursuant to agreement with the State agency, by the State health authority or the State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services approved under the Vocational Rehabilitation Act or by any other State agency which the Secretary may determine to be appropriate (whether provided by its staff or by contract with public (local) or nonprofit private agencies);

68 Stat. 652.  
29 USC 31 note.

except that services described in clause (ii) of subparagraph (D) hereof may be provided only pursuant to agreement with such State agency or agencies administering or supervising the administration of the State plan for vocational rehabilitation services so approved. The portion of the amount expended for administration of the State plan to which subparagraph (A) applies and the portion thereof to which subparagraphs (B) and (C) apply shall be determined in accordance with such methods and procedures as may be permitted by the Secretary; and

“(5) in the case of any State whose State plan approved under section 1602 does not meet the requirements of subsection (c) (1), an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan, including services referred to in paragraph (4) and provided in accordance with the provisions of such paragraph.

*Ante*, p. 198.

“(b) (1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsection (a) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

“(2) The Secretary shall then pay, in such installments as he may determine, to the State the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

“(3) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to aid or assistance furnished under the State plan, but excluding any amount of such aid or assistance recovered from the estate of a deceased recipient which is not in excess of the amount expended by the State or any political subdivision thereof for the funeral expenses of the deceased, shall be considered an overpayment to be adjusted under this subsection.

“(4) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.

“(c) (1) In order for a State to qualify for payments under paragraph (4) of subsection (a), its State plan approved under section 1602 must provide that the State agency shall make available to applicants for or recipients of aid to the aged, blind, or disabled under

such State plan at least those services to help them attain or retain capability for self-support or self-care which are prescribed by the Secretary.

“(2) In the case of any State whose State plan included a provision meeting the requirements of paragraph (1), but with respect to which the Secretary finds, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, that—

“(A) the provision has been so changed that it no longer complies with the requirements of paragraph (1), or

“(B) in the administration of the plan there is a failure to comply substantially with such provision, the Secretary shall notify such State agency that further payments will not be made to the State under paragraph (4) of subsection (a) until he is satisfied that there will no longer be any such failure to comply. Until the Secretary is so satisfied further payments with respect to the administration of such State plan shall not be made under paragraph (4) of subsection (a) but shall instead be made, subject to the other provisions of this title, under paragraph (5) of such subsection.

#### “OPERATION OF STATE PLANS

“SEC. 1604. If the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this title, finds—

“(1) that the plan has been so changed that it no longer complies with the provisions of section 1602; or

“(2) that in the administration of the plan there is a failure to comply substantially with any such provision;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure), until the Secretary is satisfied that there will no longer be any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

#### “DEFINITIONS

“SEC. 1605. (a) For the purposes of this title, the term ‘aid to the aged, blind, or disabled’ means money payments to, or (if provided in or after the third month before the month in which the recipient makes application for aid) medical care in behalf of or any type of remedial care recognized under State law in behalf of, needy individuals who are 65 years of age or older, are blind, or are 18 years of age or over and permanently and totally disabled, but does not include—

“(1) any such payments to or care in behalf of any individual who is an inmate of a public institution (except as a patient in a medical institution) or any individual who is a patient in an institution for tuberculosis or mental diseases, or

“(2) any such payments to any individual who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution as a result thereof, or

“(3) any such care in behalf of any individual, who is a patient in a medical institution as a result of a diagnosis that he has tuberculosis or psychosis, with respect to any period after the individual has been a patient in such an institution, as a result of such diagnosis, for forty-two days.

“(b) For purposes of this title, the term ‘medical assistance for the aged’ means payment of part or all of the cost of the following care and services (if provided in or after the third month before the month in which the recipient makes application for assistance) for individuals who are sixty-five years of age or older and who are not recipients of aid to the aged, blind, or disabled but whose income and resources are insufficient to meet all of such cost—

- “(1) inpatient hospital services;
- “(2) skilled nursing-home services;
- “(3) physicians’ services;
- “(4) outpatient hospital or clinic services;
- “(5) home health care services;
- “(6) private duty nursing services;
- “(7) physical therapy and related services;
- “(8) dental services;
- “(9) laboratory and X-ray services;
- “(10) prescribed drugs, eyeglasses, dentures, and prosthetic devices;
- “(11) diagnostic, screening, and preventive services; and
- “(12) any other medical care or remedial care recognized under State law;

except that such term does not include any such payments with respect to—

“(A) care or services for any individual who is an inmate of a public institution (except as a patient in a medical institution) or any individual who is a patient in an institution for tuberculosis or mental diseases; or

“(B) care or services for any individual, who is a patient in a medical institution as a result of a diagnosis of tuberculosis or psychosis, with respect to any period after the individual has been a patient in such an institution, as a result of such diagnosis, for forty-two days.”

(b) No payment may be made to a State under title I, X, or XIV of the Social Security Act for any period for which such State receives any payments under title XVI of such Act or any period thereafter.

(c) Section 1109 of such Act is amended by striking out “sections 2(a)(7), 402(a)(7), 1002(a)(8), and 1402(a)(8)” and inserting in lieu thereof “sections 2(a)(10)(A), 402(a)(7), 1002(a)(8), 1402(a)(8), and 1602(a)(14)” and by striking out “a State plan approved under title I, IV, X, or XIV” wherever it appears and inserting in lieu thereof “a State plan approved under title I, IV, X, XIV, or XVI”.

(d) Section 1111 of such Act is amended by striking out “and XIV” and inserting in lieu thereof “XIV, and XVI”.

(e) Section 618 of the Revenue Act of 1951 is amended by striking out “or XIV” and inserting in lieu thereof “XIV, or XVI (other than section 1603(a)(3) thereof)”.

(f) In the case of any State which has a State plan approved under title XVI of the Social Security Act, any overpayment or underpayment which the Secretary determines was made to such State under section 3, 1003, or 1403 of such Act with respect to a period before the approval of the plan under such title XVI, and with respect to which adjustment has not been already made under subsection (b) of such section 3, 1003, or 1403, shall, for purposes of section 1603(b) of such Act, be considered an overpayment or underpayment (as the case may be) made under section 1603 of such Act.

42 USC 301-306,  
1201-1206, 1351-  
1355.

*Ante.* p. 197.  
42 USC 1309.  
42 USC 302,  
602, 1202, 1352.

*Ante.* p. 199.  
42 USC 601-608;  
*Ante.* p. 186.

42 USC 1311.

65 Stat. 569.  
42 USC 302  
note.  
*Ante.* p. 201.

42 USC 303,  
1203, 1353.

*Ante.* p. 203.

## PART E—MISCELLANEOUS AND TECHNICAL AMENDMENTS

INCREASE IN LIMITATION ON TOTAL PUBLIC ASSISTANCE PAYMENTS TO  
PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM

42 USC 1308. SEC. 151. Effective for fiscal years ending after June 30, 1962, section 1108 of the Social Security Act is amended to read as follows:

“LIMITATION ON PAYMENTS TO PUERTO RICO, THE VIRGIN ISLANDS, AND  
GUAM

42 USC 301-306.  
42 USC 601-608,  
1201-1206, 1351-  
1355.  
*Ante*, p. 197.

“SEC. 1108. The total amount certified by the Secretary of Health, Education, and Welfare under title I (other than section 3(a)(3) thereof), IV, X, XIV, and XVI (other than section 1603(a)(3) thereof) for payment to Puerto Rico with respect to any fiscal year shall not exceed \$9,800,000, of which \$625,000 may be used only for payments certified with respect to section 3(a)(2)(B) or 1603(a)(2)(B); the total amount certified by the Secretary under such titles for payments to the Virgin Islands with respect to any fiscal year shall not exceed \$330,000, of which \$18,750 may be used only for payments certified with respect to section 3(a)(2)(B) or 1603(a)(2)(B); and the total amount certified by the Secretary under such titles for payment to Guam with respect to any fiscal year shall not exceed \$450,000, of which \$25,000 may be used only for payments certified with respect to section 3(a)(2)(B) or 1603(a)(2)(B). Notwithstanding the provisions of sections 502(a)(2), 512(a)(2), 522(a), and 527(a), and until such time as the Congress may by appropriation or other law otherwise provide, the Secretary shall, in lieu of the initial (or, in the case of section 527(a), the minimum) allotment specified in such sections, allot such smaller amounts to Guam as he may deem appropriate.”

42 USC 702, 712,  
722; *Ante*, p. 183.

## PAYMENTS TO RELATIVE OF CHILD WHEN CHILD IS DEPENDENT

*Ante*, pp. 189,  
190.  
42 USC 606.

SEC. 152. Section 406(b) of the Social Security Act is amended by striking out “for any month” and by striking out “if money payments have been made under the State plan with respect to such child for such month”.

## DEFINITIONS OF “STATE” AND “UNITED STATES”

42 USC 1301.  
42 USC 1301-  
1313.

SEC. 153. (a) Paragraph (1) of section 1101(a) of the Social Security Act is amended by striking out “X, and XIV” and inserting in lieu thereof “X, XI, XIV, and XVI”.

(b) Paragraph (2) of such section is amended by striking out “, the District of Columbia, and the Commonwealth of Puerto Rico”.

INCOME AND RESOURCES TO BE DISREGARDED IN DETERMINING NEED OF  
INDIVIDUAL FOR AID TO THE BLIND

42 USC 1202.

SEC. 154. Effective July 1, 1963, so much of section 1002(a)(8) of the Social Security Act as follows the first semicolon therein is amended to read as follows: “except that, in making such determination, the State agency shall disregard (A) the first \$85 per month of earned income, plus one-half of earned income in excess of \$85 per month, and (B) for a period not in excess of twelve months, such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan;”.

RESPONSIBILITY FOR PLACEMENT AND FOSTER CARE OF DEPENDENT  
CHILDREN

SEC. 155. (a) Clause (2) of section 408(a) of the Social Security Act is amended to read: "(2) whose placement and care are the responsibility of (A) the State or local agency administering the State plan approved under section 402, or (B) any other public agency with whom the State agency administering or supervising the administration of such State plan has made an agreement which is still in effect and which includes provision for assuring development of a plan, satisfactory to such State agency, for such child as provided in paragraph (f)(1) and such other provisions as may be necessary to assure accomplishment of the objectives of the State plan approved under section 402."

42 USC 608.

42 USC 602.

(b) The amendment made by subsection (a) shall apply only for the period beginning October 1, 1962, and ending with the close of June 30, 1963. The Secretary shall submit to the President, for transmission to the Congress prior to March 1, 1963, a full report of the administration of the provisions of the amendment made by subsection (a), including the experiences of each of the States in arranging for foster care under the provisions of their respective State plans which are in accord with such amendment, together with his recommendations as to continuation of, and modifications in, such amendment.

Report to President and Congress.

STARTING DATE FOR PUBLIC ASSISTANCE IN FORM OF MEDICAL OR REMEDIAL  
CARE

SEC. 156. (a) (1) So much of section 6(a) of the Social Security Act as precedes paragraph (1) thereof is amended by inserting "(if provided in or after the third month before the month in which the recipient makes application for assistance)" before "medical care".

42 USC 306.

(2) So much of section 6(b) of such Act as precedes paragraph (1) thereof is amended by inserting "(if provided in or after the third month before the month in which the recipient makes application for assistance)" after "care and services".

(b) So much of section 406(b) of such Act as precedes clause (1) thereof is amended by inserting "(if provided in or after the third month before the month in which the recipient makes application for aid)" before "medical care".

Ante, pp. 189, 190.

(c) Section 1006 of such Act is amended by inserting "(if provided in or after the third month before the month in which the recipient makes application for aid)" before "medical care".

42 USC 1206.

(d) Section 1405 of such Act is amended by inserting "(if provided in or after the third month before the month in which the recipient makes application for aid)" before "medical care".

42 USC 1355.

(e) The amendments made by this section shall apply in the case of applications made after September 30, 1962, under a State plan approved under title I, IV, X, or XIV of the Social Security Act.

42 USC 301-306, 601-608, 1201-1206, 1351-1355.

CERTAIN EARNED INCOME MAY BE DISREGARDED IN DETERMINING NEED FOR  
OLD-AGE ASSISTANCE

SEC. 157. Section 2(a)(10)(A) of the Social Security Act (as amended by section 106(a)(1) of this Act) is further amended by inserting before the semicolon at the end thereof "; except that, in making such determination, of the first \$50 per month of earned income the State agency may disregard, after December 31, 1962, not more than the first \$10 thereof plus one-half of the remainder".

42 USC 302.

Ante, p. 188.

## TITLE II—GENERAL

## MEANING OF TERM "SECRETARY"

SEC. 201. As used in this Act and in the provisions of the Social Security Act amended by this Act, the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

## EFFECTIVE DATES

SEC. 202. (a) The amendments made by sections 102(b)(1), 103, 106, and 134 shall become effective July 1, 1963.

(b) The amendments made by sections 102(c), 123, and 132(d) shall be applicable in the case of fiscal years beginning after June 30, 1962.

42 USC 301-306,  
601-608, 1201-  
1206, 1351-1355.

(c) The amendments made by sections 102(b)(2) and (d), and 152 shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act or developed as provided in part 3 of title V of such Act, as the case may be, made after June 30, 1962.

42 USC 721.

(d) The amendments made by sections 109 and 132 (other than subsections (d) and (e) thereof) shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act, as the case may be, made after September 30, 1962.

(e) The amendments made by sections 105 (other than subsection (c)) and 108 shall be applicable in the case of expenditures under a State plan approved under title IV of the Social Security Act, made during the period beginning October 1, 1962, and ending with the close of June 30, 1967.

(f) The amendments made by section 101(a) shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act, as the case may be, made after August 31, 1962. The amendments made by section 101(b) shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act, as the case may be, made after June 30, 1963.

Approved July 25, 1962.

## Public Law 87-544

## AN ACT

July 25, 1962  
[H. R. 8415]

To change the classes of persons eligible to receive payments of benefits withheld during the lifetime of deceased veterans while being furnished hospital or domiciliary care.

Deceased vet-  
erans.  
Beneficiaries,  
payments.  
72 Stat. 1234.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3203 (a) (2) (A), title 38, United States Code, is amended by striking out the words "third, if no spouse or child" and all that follows down through "brothers and sisters in equal parts" and inserting in lieu thereof the following: "third, if no spouse or child, then to the dependent parents in equal parts".

SEC. 2. The amendment made by this Act shall also apply to cases in which pension eligibility is subject to the provisions of section 9(b) of the Veterans' Pension Act of 1959.

Approved July 25, 1962.

73 Stat. 436.  
38 USC 521  
note.



## Public Law 87-545

## AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1962,  
and for other purposes.

[July 25, 1962  
[H. R. 11038]]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this Act may be cited as the "Second Supplemental Appropriation Act, 1962") for the fiscal year ending June 30, 1962, and for other purposes, namely:

Second Supplemental Appropriation Act, 1962.

## TITLE I

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", for "Plant and animal disease and pest control", \$2,750,000, to remain available until June 30, 1963: *Provided*, That the foregoing amount shall not be available for conduct of any screwworm eradication program that does not require minimum matching by State or local sources of at least 50 per centum of the expenses of production, irradiation, and release of the screwworm flies.

## FARMERS HOME ADMINISTRATION

## DIRECT LOAN ACCOUNT

Direct loans and advances not to exceed \$10,000,000 may be made from funds available in the Farmers Home Administration direct loan account for operating loans under subtitle B and section 335 (a), for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961.

75 Stat. 310, 315.  
7 USC 1941-1945,  
1985.

## FOREST SERVICE

## FOREST PROTECTION AND UTILIZATION

For additional amounts for "Forest protection and utilization", for "Forest land management", \$34,500,000.

## DEPARTMENT OF COMMERCE

## COAST AND GEODETIC SURVEY

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$200,000.

## MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT  
AUTHORIZATION)

For an additional amount for "Operating-differential subsidies", \$20,000,000, to remain available until expended.

## GENERAL ADMINISTRATION

## PARTICIPATION IN NEW YORK WORLD'S FAIR

For expenses necessary to provide for United States participation in the New York World's Fair, as authorized by the provisions of the Act of September 21, 1961 (75 Stat. 527), including compensation of a United States Commissioner, who shall be appointed by the President, at the rate of \$19,500 per annum, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed \$75 per diem, \$17,000,000, to remain available until expended.

75 Stat. 527.  
22 USC 2451-  
2458.

60 Stat. 810.

## DEPARTMENT OF DEFENSE—CIVIL

## DEPARTMENT OF THE ARMY

## CORPS OF ENGINEERS—CIVIL

## Operation and Maintenance, General

For an additional amount for "Operation and maintenance, general", \$3,900,000, to remain available until expended.

## UNITED STATES SOLDIERS' HOME

## LIMITATION ON OPERATION AND MAINTENANCE AND CAPITAL OUTLAY

In addition to the amount otherwise available for maintenance and operation of the Soldiers' Home, \$103,000 shall be available from the Soldiers' Home permanent fund for such purposes during the current fiscal year.

## DISTRICT OF COLUMBIA

## DISTRICT OF COLUMBIA FUNDS

## OPERATING EXPENSES

## General Operating Expenses

For an additional amount for "General operating expenses", \$60,000.

## Public Safety

For an additional amount for "Public safety", \$310,000.

## Personal Services, Wage-Board Employees

For an additional amount for "Personal services, wage-board employees", \$94,000.

## Settlement of Claims and Suits

For an additional amount for "Settlement of claims and suits", \$7,347.

## DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriations Act for the fiscal year involved.

## FUNDS APPROPRIATED TO THE PRESIDENT

## DISASTER RELIEF

For an additional amount for "Disaster relief", \$25,000,000, to remain available until expended: *Provided*, That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## OFFICE OF EDUCATION

## PAYMENTS TO SCHOOL DISTRICTS

For an additional amount for "Payments to school districts", \$15,707,000, to remain available until expended.

## PUBLIC HEALTH SERVICE

## GRANTS FOR WASTE TREATMENT WORKS CONSTRUCTION

For an additional amount for "Grants for waste treatment works construction", fiscal year 1961, \$645,260, to remain available until expended.

## HOSPITALS AND MEDICAL CARE

For an additional amount for "Hospitals and medical care", for payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (35 U.S.C., ch. 7), \$174,000.

70 Stat. 250.  
37 USC 401 note.

## GENERAL PROVISION

The amounts made available for fiscal year 1962, for planning or construction of buildings or facilities under the headings "Foreign quarantine activities", "National Cancer Institute", "National Heart Institute", and "Allergy and infectious disease activities", shall remain available until June 30, 1963.

## INDEPENDENT OFFICES

## CIVIL AERONAUTICS BOARD

## SALARIES AND EXPENSES

In addition to the amount heretofore made available for travel expenses of employees, not to exceed \$15,000 shall be available for such expenses from the appropriation to the Civil Aeronautics Board for the current fiscal year for "Salaries and expenses".

## DELAWARE RIVER BASIN COMMISSION

## CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), \$20,000.

## GENERAL SERVICES ADMINISTRATION

## ADDITIONAL COURT FACILITIES

For an additional amount for "Additional court facilities", \$2,000,000, to remain available until expended.

## OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

For an additional amount for "Operating expenses, Public Buildings Service", \$2,120,000.

## ACQUISITION OF LAND AND BUILDING, CHICAGO, ILLINOIS

For an additional amount for "Acquisition of land and building, Chicago, Illinois", \$2,715,000.

## GENERAL SUPPLY FUND

To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U.S.C. 630g), \$7,500,000.

63 Stat. 382;  
75 Stat. 351,  
802.

## HOUSING AND HOME FINANCE AGENCY

## OFFICE OF THE ADMINISTRATOR

## PUBLIC WORKS PLANNING FUND

For an additional amount for the revolving fund established pursuant to section 702 of the Housing Act of 1954, as amended (40 U.S.C. 462), \$1,000,000.

69 Stat. 641;  
75 Stat. 354.

## INTERSTATE COMMERCE COMMISSION

## SALARIES AND EXPENSES

In addition to the amount heretofore made available for travel expenses of employees, not to exceed \$70,000 shall be available for such expenses from the appropriation to the Interstate Commerce Commission for the current fiscal year for "Salaries and expenses".

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

## RESEARCH AND DEVELOPMENT

For an additional amount for "Research and development", \$82,500,000, to remain available until expended.

## CONSTRUCTION OF FACILITIES

For an additional amount for "Construction of facilities", \$71,000,000, to remain available until expended: *Provided*, That this paragraph shall be effective only upon enactment of authorizing legislation into law to cover such amount.

## SECURITIES AND EXCHANGE COMMISSION

## SALARIES AND EXPENSES

In addition to the amount heretofore made available for travel expenses of employees, not to exceed \$64,000 shall be available for such expenses from the appropriation to the Securities and Exchange Commission for the current fiscal year for "Salaries and expenses".

## SMALL BUSINESS ADMINISTRATION

## REVOLVING FUND

For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitations, \$40,000,000, of which not less than \$15,000,000 shall be available for disaster loans.

72 Stat. 385, 690.  
15 USC 633.

## TAX COURT OF THE UNITED STATES

## SALARIES AND EXPENSES

The sum of \$20,000 shall be available to the "Tax Court judges survivors annuity fund" from the appropriation to the Tax Court of the United States for "Salaries and expenses", fiscal year 1962.

## VETERANS ADMINISTRATION

## MEDICAL CARE

For an additional amount for "Medical care", \$2,200,000.

## DEPARTMENT OF THE INTERIOR

## BUREAU OF LAND MANAGEMENT

## MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for "Management of lands and resources", \$825,000.

## CONSTRUCTION

For an additional amount for "Construction", \$200,000.

## NATIONAL PARK SERVICE

## MANAGEMENT AND PROTECTION

For an additional amount for "Management and protection", \$775,000.

## MAINTENANCE AND REHABILITATION OF PHYSICAL FACILITIES

For an additional amount for "Maintenance and rehabilitation of physical facilities", \$225,000.

## CONSTRUCTION

For an additional amount for "Construction", \$1,250,000.

## BUREAU OF INDIAN AFFAIRS

## RESOURCES MANAGEMENT

For an additional amount for "Resources management", \$720,000.

## MENOMINEE EDUCATIONAL GRANTS

For grants to the State of Wisconsin or the County or Town of Menominee for school district costs, as authorized by the Act of April 4, 1962 (P.L. 87-432), \$220,000.

*Ante*, p. 53.

## OFFICE OF MINERALS EXPLORATION

## LEAD AND ZINC STABILIZATION PROGRAM

For necessary expenses to carry out a lead and zinc mining stabilization program, including payments to producers, as authorized by the Act of October 3, 1961 (75 Stat. 766), \$4,690,000, to remain available until expended.

30 USC 681-689.

## FISH AND WILDLIFE SERVICE

## BUREAU OF SPORT FISHERIES AND WILDLIFE

## Construction

For an additional amount for "Construction", \$1,800,000, to remain available until expended.

## THE JUDICIARY

## SUPREME COURT OF THE UNITED STATES

## PRINTING AND BINDING SUPREME COURT REPORTS

For an additional amount for "Printing and binding Supreme Court reports", \$13,000.

## COURTS OF APPEAL, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

## FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of jurors and commissioners", \$300,000.

## TRAVEL AND MISCELLANEOUS EXPENSES

For an additional amount for "Travel and miscellaneous expenses", \$110,000: *Provided*, That no part of the foregoing amount may be used for payment of actual expenses of subsistence in excess of \$25 per diem.

## EXPENSES OF REFEREES

For an additional amount for "Expenses of referees", \$100,000.

## DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

## SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

For an additional amount for "Salaries and expenses, United States attorneys and marshals", \$100,000.

## FEES AND EXPENSES OF WITNESSES

For an additional amount for "Fees and expenses of witnesses", \$400,000.

## FEDERAL PRISON SYSTEM

## SALARIES AND EXPENSES, BUREAU OF PRISONS

For an additional amount for "Salaries and expenses, Bureau of Prisons", \$176,000.

## BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", \$300,000.

## SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States prisoners", \$800,000.

## LEGISLATIVE BRANCH

## SENATE

For payment to Doloris T. Bridges, widow of Henry Styles Bridges, late a Senator from the State of New Hampshire, \$22,500.

For payment to Marie T. Schoeppel, widow of Andrew F. Schoeppel, late a Senator from the State of Kansas, \$22,500.

For payment to Myrle G. Case, widow of Francis Case, late a Senator from the State of South Dakota, \$22,500.

## SALARIES, OFFICERS AND EMPLOYEES

## ADMINISTRATIVE AND CLERICAL ASSISTANCE TO SENATORS

The basic clerk hire allowance of each Senator is hereby increased by \$3,000.

The clerk hire allowances of the Senators from the States of New York and Virginia are hereby increased so that the allowances of the Senators from the State of New York will be equal to that allowed Senators from States having a population of over seventeen million, the population of said State having exceeded seventeen million inhabitants, and so that allowances of Senators from the State of Virginia will be equal to that allowed Senators from States having a population of four million, the population of said State having exceeded four million inhabitants.

## CONTINGENT EXPENSES OF THE SENATE

## MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous items", \$286,000.

## HOUSE OF REPRESENTATIVES

For payment to Stella M. Rabaut, widow of Louis C. Rabaut, late a Representative from the State of Michigan, \$22,500.

For payment to the Estate of Sam Rayburn, late a Representative from the State of Texas and Speaker of the House of Representatives, \$35,000.

For payment to Corrinne B. Riley, widow of John J. Riley, late a Representative from the State of South Carolina, \$22,500.

DEPARTMENT OF STATE  
ADMINISTRATION OF FOREIGN AFFAIRS  
SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$2,500,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$25,616,000.

CLAIMS AND JUDGMENTS

For payment of claims as settled and determined by departments in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in Senate Document Numbered 84, Eighty-seventh Congress, \$1,065,929, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest whenever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

Approved July 25, 1962.

Public Law 87-546

AN ACT

July 25, 1962  
[H. R. 1811]

To amend chapter 35 of title 38, United States Code, relating to war orphans' educational assistance, in order to permit eligible persons thereunder to attend foreign educational institutions under certain circumstances.

Veterans.  
War orphans' ed-  
ucational assist-  
ance.  
72 Stat. 1196.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 1723 (c) of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "Notwithstanding the first sentence of this subsection, enrollment in a foreign educational institution may be approved by the Administrator in the case of any eligible person, if (1) the subjects to be taken by such person at such foreign educational institution are an integral part of and are fully creditable toward the satisfactory completion of an approved course in which such person is enrolled in an institution of higher learning (hereafter in this sentence referred to as his 'principal institution') which is located in a State or in the Republic of the Philippines, (2) the tuition and fees for attendance at such foreign educational institution are paid for by the principal institution, and (3) the principal institution agrees to assume the responsibility for submitting to the Veterans' Administration required enrollment certificates and monthly certifications of training as to attendance, conduct, and progress."

Approved July 25, 1962.



## Public Law 87-547

## AN ACT

To authorize establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites, New York, and for other purposes.

July 25, 1962  
[H. R. 8484]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in order to preserve in public ownership historically significant properties associated with the life of Theodore Roosevelt, the Secretary of the Interior may acquire, by donation from the Theodore Roosevelt Association, the sites and structures known as the Theodore Roosevelt House situated at Twenty-eight and Twenty-six East Twentieth Street, New York City, consisting of approximately eleven one-hundredths of an acre, and Sagamore Hill, consisting of not to exceed ninety acres at Cove Neck, Oyster Bay, Long Island, and the improvements thereon, together with the furnishings and other contents of the structures.

Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites, N. Y. Establishment authorization.

SEC. 2. (a) In accordance with the Act entitled "An Act to create a National Park Trust Fund Board, and for other purposes", approved July 10, 1935 (49 Stat. 477), as amended, the National Park Trust Fund Board may accept from the Theodore Roosevelt Association \$500,000 and such additional amounts as the association may tender from time to time from the endowment fund under its control, which funds, when accepted, shall be utilized only for the purposes of the historic sites established pursuant to this Act.

Acceptance of funds.  
16 USC 19-19c.

(b) Nothing in this Act shall limit the authority of the Secretary of the Interior under other provisions of law to accept in the name of the United States donations of property.

SEC. 3. When lands, interests in lands, improvements, and other properties comprising the Theodore Roosevelt Birthplace and Sagamore Hill, as authorized for acquisition by section 1 of this Act, and a portion of the endowment fund in the amount of \$500,000 have been transferred to the United States, the Secretary of the Interior shall establish the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites by publication of notice thereof in the Federal Register.

Transfer of property, etc.

SEC. 4. The Secretary of the Interior shall administer, protect, and develop the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 and the following), as amended and supplemented.

Publication in F. R. Development, etc.

SEC. 5. The Theodore Roosevelt Association, having by its patriotic and active interest preserved for posterity these important historic sites, buildings, and objects, shall, upon establishment of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites be consulted by the Secretary of the Interior in the establishment of an advisory committee or committees for matters relating to the preservation, development, and management of the Theodore Roosevelt Birthplace and Sagamore Hill National Historic Sites.

Advisory committees. Establishment.

SEC. 6. The Act entitled "An Act to incorporate the Roosevelt Memorial Association", approved May 31, 1920 (41 Stat. 691), as amended by the Act approved on May 21, 1953 (67 Stat. 27), which changed the name of such corporation to the Theodore Roosevelt Association, and by the Act approved on March 29, 1956 (70 Stat. 60), which permitted such corporation to consolidate with Women's Theodore Roosevelt Association, Incorporated, is hereby further amended by adding to section 3 thereof a new subdivision as follows:

Donation of  
property.

“(4) The donation of real and personal property, including part or all of its endowment fund, to a public agency or public agencies for the purpose of preserving in public ownership historically significant properties associated with the life of Theodore Roosevelt.”

and by deleting the word “and” at the end of subdivision (2) of section 3.

Approved July 25, 1962.

## Public Law 87-548

### AN ACT

To facilitate the sale and disposal of Government stocks of extra long staple cotton.

July 25, 1962  
[H. R. 10595]

Cotton.  
Government  
stocks, sale and  
disposal.

60 Stat. 596.

63 Stat. 1055;  
72 Stat. 993.  
7 USC 1427.

52 Stat. 31.  
7 USC 1281.

68 Stat. 454.  
7 USC 1691 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, all extra long staple cotton remaining in the stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98), shall be withdrawn and transferred or made available to the Commodity Credit Corporation for disposition as provided herein. The domestically grown cotton in the stockpile shall be transferred to the Commodity Credit Corporation and shall be sold only for unrestricted use at not less than the prices at which the Commodity Credit Corporation may sell its stocks under the minimum pricing provisions of section 407 of the Agricultural Act of 1949, as amended. Such domestically grown cotton shall be excluded in making any determination with respect to national marketing quotas under the Agricultural Adjustment Act of 1938, as amended, until after it is sold by Commodity Credit Corporation. The foreign-grown cotton in the stockpile shall be transferred to the Commodity Credit Corporation. Any foreign-grown cotton transferred hereunder to the Commodity Credit Corporation shall be sold or disposed of only for export at not less than the world market price, as determined by the Secretary of Agriculture. In administering sales or disposals of the foreign-grown cotton, the Secretary of Agriculture shall periodically determine and announce quotas for disposals by commercial sales and for disposals through the Agricultural Trade Development and Assistance Act of 1954, as amended. Such foreign-grown cotton shall be excluded in making any determination with respect to national marketing quotas under the Agricultural Adjustment Act of 1938, as amended, and shall be considered as domestically grown surplus cotton for purposes of sale or disposal under the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, and shall be eligible for sale or disposal thereunder in accordance with the provisions of this Act.

Proceeds from such sales and dispositions, less costs incurred by Commodity Credit Corporation, including administrative expense, as determined by the Secretary of Agriculture, shall be covered into the Treasury of the United States as miscellaneous receipts.

Approved July 25, 1962.

## Public Law 87-549

## AN ACT

To amend section 742 of title 38, United States Code, to permit the exchange of five-year term policies of United States Government life insurance to a special endowment at age ninety-six plan.

July 25, 1962  
[H. R. 10068]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 742 of title 38, United States Code, is amended (1) by inserting "(a)" immediately before "Regulations"; and (2) by adding at the end thereof the following:

"(b) An insured who on or after his sixty-fifth birthday has a five-year level premium term policy of insurance in force by payment of premiums may exchange such policy for insurance on a special endowment at age ninety-six plan upon written application; payment of the required premium; and surrender of the five-year level premium term policy and any total disability provision attached thereto with all rights, title, and interests thereunder. However, if it is found by the Administrator subsequent to the exchange that prior thereto the term policy matured because of total permanent disability of the insured or that he was entitled to total disability benefits under the total disability provision attached to such policy, the insured, upon surrender of the special endowment at age ninety-six policy and any provision for waiver of premiums issued under subsection (c) of this section with all rights, title, and interest thereunder, will be entitled to benefits payable under the prior contract. In such case, the cash value less any indebtedness on the endowment policy shall be refunded together with any premiums paid on a provision for waiver of premiums. Insurance on the special endowment at age ninety-six plan shall be issued at the attained age of the insured upon the same terms and conditions as are contained in standard policies of United States Government Life Insurance except:

"(1) the insurance shall not mature and no benefits shall be paid thereunder because of total permanent disability;

"(2) the premiums for such insurance shall be as prescribed by the Administrator;

"(3) such insurance cannot be exchanged, converted, or reconverted to any other plan of insurance;

"(4) all cash, loan, paid-up, and extended term insurance values shall be as prescribed by the Administrator; and

"(5) the insurance shall be subject to such other changes in terms and conditions as the Administrator determines to be reasonable and practicable.

"(c) The Administrator shall, upon application made by the insured at the same time as he exchanges his term policy for an endowment policy issued under the provisions of subsection (b) of this section, and upon payment of such extra premium as the Administrator shall prescribe, include in such endowment policy a provision for waiver of premiums on the policy and on the provision during the total permanent disability of the insured, if such disability began after the date of such application and while the policy and the provision are in force by payment of premiums. The Administrator shall not grant waiver of any premium becoming due more than one year before receipt in the Veterans' Administration of claim for the same, except as provided in this subsection. Any premiums paid for months during which waiver is effective shall be refunded. The Administrator shall provide by regulations for examination or reexamination of an insured claiming waiver of premiums under this subsection, and may deny waiver for failure to cooperate. If it is found that an insured

Veterans.

U. S. Government life insurance, endowment policies.

72 Stat. 1158.

Exceptions.

Waiver of premiums.

is no longer totally and permanently disabled, the waiver of premiums shall cease as of the date of such finding and the policy and provision may be continued by payment of premiums as provided therein. In any case in which the Administrator finds that the insured's failure to make timely claim for waiver of premiums, or his failure to submit satisfactory evidence of the existence or continuance of total permanent disability was due to circumstances beyond his control, the Administrator may grant waiver or continuance of waiver of premiums. If the insured dies without filing claim for waiver, the beneficiary, within one year after the death of the insured, or, if the beneficiary is insane or a minor, within one year after removal of such legal disability, may file claim for waiver with evidence of the insured's right to waiver under this subsection. Policies containing a provision for waiver of premiums issued under this subsection may be separately classified for the purpose of dividend distribution from otherwise similar policies not containing such provision."

Approved July 25, 1962.

## Public Law 87-550

### AN ACT

To amend the Small Business Act.

July 25, 1962  
[S. 2970]

Small Business  
Act, amendment.  
75 Stat. 666.  
15 USC 633.

72 Stat. 387,  
389, 689.  
15 USC 636,  
637, 661 note.

15 USC 636.  
15 USC 637.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subsection (c) of section 4 of the Small Business Act is amended to read as follows:

"(c) There is hereby established in the Treasury a revolving fund, referred to in this section as 'the fund', for the Administration's use in financing the functions performed under sections 7(a), 7(b), and 8(a) and under the Small Business Investment Act of 1958, including the payment of administrative expenses in connection with such functions. All repayments of loans and debentures, payments of interest, and other receipts arising out of transactions financed from the fund shall be paid into the fund. As capital thereof, appropriations not to exceed \$1,666,000,000 are hereby authorized to be made to the fund, which appropriations shall remain available until expended. Not to exceed an aggregate of \$1,325,000,000 shall be outstanding at any one time for the purposes enumerated in the following sections of this Act: 7(a) (relating to regular business loans), 7(b) (relating to disaster loans), and 8(a) (relating to prime contract authority): *Provided*, That the Administration shall report promptly to the Committees on Appropriations and the Committees on Banking and Currency of the Senate and House of Representatives whenever (1) the aggregate amount outstanding for the purposes enumerated in sections 7(a) and 8(a) exceeds \$1,222,000,000, or (2) the aggregate amount outstanding for the purpose enumerated in section 7(b) exceeds \$103,000,000. Not to exceed an aggregate of \$341,000,000 shall be outstanding from the fund at any one time for the exercise of the functions of the Administration under the Small Business Investment Act of 1958. The Administration shall pay into miscellaneous receipts of the Treasury, following the close of each fiscal year, interest on the outstanding cash disbursements from the fund, at rates determined by the Secretary of the Treasury, taking into consideration the current average yields on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities as calculated for the month of June preceding such fiscal year."

(b) It is the sense of the Congress that the regular business loan program of the Small Business Administration should be reviewed by the Congress at least once every two years. It is further the sense of the Congress that the Small Business Administration should submit its estimated needs for additional authorization for such program to the Congress at least one year in advance of the date on which such authorization is to be provided, in order to assure an orderly and recurring review of such program and to avoid emergency appeals for additional authorization. Compliance by the Small Business Administration with the foregoing policy will enable the Congress hereafter to provide additional authorization for such program on a two-year basis.

Review by Congress.

SEC. 2. (a) The Small Business Administration is empowered to make loans (either directly or in cooperation with banks or other lenders through agreements to participate on an immediate or deferred basis) to assist any firm to adjust to changed economic conditions resulting from increased competition from imported articles, but only if (1) an adjustment proposal of such firm has been certified by the Secretary of Commerce pursuant to the Trade Expansion Act of 1962, (2) the Secretary has referred such proposal to the Administration under that Act and the loan would provide part or all of the financial assistance necessary to carry out such proposal, and (3) the Secretary's certification is in force at the time the Administration makes the loan.

(b) The Small Business Administration's authority to make loans under this section shall be in addition to and separate from its authority to make loans under the Small Business Act. With respect to loans made under this section the Administration shall apply the provisions of sections 314, 315, 316, 318, 319, and 320 of the Trade Expansion Act of 1962 as though such loans had been made under section 314 of that Act.

15 USC 631 note.

(c) There are hereby authorized to be appropriated, without fiscal year limitation, such sums as may be necessary to carry out this section.

(d) This section shall take effect on such date (on or after the enactment of the Trade Expansion Act of 1962) as the President may specify in a proclamation duly published in the Federal Register but in no case later than 60 days after the date of the enactment of such Act.

Effective date.  
Proclamation,  
publication in  
F. R.

Approved July 25, 1962.

## Public Law 87-551

### AN ACT

To waive section 142, title 28, United States Code, with respect to the United States District Court for the District of Connecticut for holding court at Bridgeport.

July 27, 1962  
[H. R. 9844]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the limitations and restrictions contained in section 142, title 28, United States Code, shall be waived with respect to the holding of court at Bridgeport, Connecticut, by the United States District Court for the District of Connecticut.

Connecticut.  
U. S. District  
Court.  
62 Stat. 898.

Approved July 27, 1962.

## Public Law 87-552

July 27, 1962  
[H. J. Res. 714]

## JOINT RESOLUTION

Authorizing the acquisition of certain property in the District of Columbia and its conveyance to the International Monetary Fund, on a full reimbursement basis, for use in expansion of its headquarters.

22 USC 286 note.

Whereas it is in the interest of the Government of the United States to promote international monetary cooperation; and

Whereas in furtherance of that interest the United States, under authority of the Bretton Woods Agreements Act (59 Stat. 512, as amended), became an original member of the International Monetary Fund (hereinafter referred to as the "Fund") which serves as a permanent institution providing the machinery for consultation and collaboration on international monetary problems; and

Whereas the principal office of the Fund has been established in Washington, District of Columbia, in fulfillment of the requirements in the articles of agreement of the Fund that the site of its principal office shall be located in the territory of the member country having the largest quota in the Fund; and

Whereas the present principal office of the Fund has become inadequate as the result of the increased membership and activities of the Fund; and

Whereas it is to the advantage of the Government of the United States to assist the Fund to acquire, with the resources of the Fund, an adjacent site for the expansion of the Fund's headquarters: Now, therefore, be it

International  
Monetary Fund.  
Conveyance of  
certain property in  
D. C.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Administrator of General Services is hereby authorized, on the basis of full reimbursement by the International Monetary Fund, (1) to acquire, by purchase, condemnation, or otherwise, the land in the northwest section of the District of Columbia known as lots I and R in square 141, together with any buildings and improvements thereon, and (2) to convey the property so acquired to the International Monetary Fund for use in expanding the principal office of the Fund.

Approved July 27, 1962.

## Public Law 87-553

July 27, 1962  
[H. R. 10012]

## AN ACT

To waive section 142, of title 28, United States Code, with respect to the United States District Court for the Eastern District of Tennessee holding court at Winchester, Tennessee.

Tennessee.  
U. S. District  
Court.  
62 Stat. 898.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the limitations and restrictions contained in section 142, title 28, of the United States Code, shall be waived insofar as pertains to holding court by the United States District Court for the Eastern District of Tennessee at Winchester, Tennessee.

Approved July 27, 1962.

## Public Law 87-554

## AN ACT

To authorize certain construction at military installations, and for other purposes.

July 27, 1962  
[H. R. 11131]*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*Armed Forces.  
Military construction, authorization.

## TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

Army.

## INSIDE THE UNITED STATES

## CONTINENTAL ARMY COMMAND

## (First Army)

Fort Devens, Massachusetts: Supply facilities and troop housing, \$1,575,000.

Fort Dix, New Jersey: Operational and training facilities, troop housing and community facilities, and utilities, \$11,095,000.

## (Second Army)

Carlisle Barracks, Pennsylvania: Community facilities, \$490,000.

Fort Knox, Kentucky: Operational and training facilities, maintenance facilities, medical facilities, and community facilities, \$5,240,000.

Fort Meade, Maryland: Maintenance facilities and troop housing, \$1,473,000.

Fort Ritchie, Maryland: Medical facilities, troop housing and community facilities, \$2,032,000.

## (Third Army)

Fort Benning, Georgia: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing and community facilities, utilities and ground improvements, \$3,764,000.

Fort Bragg, North Carolina: Operational and training facilities, maintenance facilities, administrative facilities and utilities, \$4,343,000.

Fort Campbell, Kentucky: Supply facilities and utilities, \$1,989,000.

Fort McClellan, Alabama: Training facilities and troop housing, \$1,352,000.

Fort Rucker, Alabama: Operational and training facilities, and troop housing, \$3,772,000.

Fort Stewart, Georgia: Ground improvements, \$231,000.

## (Fourth Army)

Fort Bliss, Texas: Operational facilities, maintenance facilities, research, development and test facilities, supply facilities, administrative facilities and troop housing, \$2,503,000.

Fort Hood, Texas: Maintenance facilities, hospital and medical facilities, and ground improvements, \$7,657,000.

Fort Sam Houston, Texas: Utilities, \$426,000.

Fort Sill, Oklahoma: Operational facilities, maintenance facilities, supply facilities, administrative facilities and troop housing, \$6,675,000.

(Fifth Army)

Fort Benjamin Harrison, Indiana: Troop housing, \$1,260,000.

Fort Leavenworth, Kansas: Utilities, \$103,000.

Fort Riley, Kansas: Operational facilities, \$444,000.

Fort Leonard Wood, Missouri: Maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing and community facilities, and utilities, \$8,567,000.

(Sixth Army)

Hunter-Liggett Military Reservation, California: Troop housing, \$159,000.

Fort Irwin, California: Community facilities and utilities, \$653,000.

Fort Lewis, Washington: Operational facilities, maintenance facilities, supply facilities, and community facilities, \$4,627,000.

Fort Ord, California: Operational facilities, maintenance facilities, medical facilities, utilities and ground improvements, \$3,108,000.

TECHNICAL SERVICES FACILITIES

(Chemical Corps)

Army Chemical Center, Maryland: Research, development and test facilities, and utilities, \$920,000.

Dugway Proving Ground, Utah: Hospital and medical facilities, and utilities, \$1,109,000.

(Corps of Engineers)

Fort Belvoir, Virginia: Training facilities, maintenance facilities, research, development and test facilities, and utilities, \$2,000,000.

(Ordnance Corps)

Aberdeen Proving Ground, Maryland: Research, development and test facilities, \$318,000.

Letterkenny Ordnance Depot, Pennsylvania: Administrative facilities, \$411,000.

Redstone Arsenal, Alabama: Administrative facilities, \$272,000.

Rock Island Arsenal, Illinois: Administrative facilities, \$380,000.

White Sands Missile Range, New Mexico: Research, development and test facilities, and hospital and medical facilities, \$7,934,000.

(Quartermaster Corps)

Fort Lee, Virginia: Community facilities and utilities, \$199,000.

Utah General Depot, Utah: Maintenance facilities, \$145,000.

(Signal Corps)

Army Radio Receiving Station, La Plata, Maryland: Utilities, \$175,000.

Fort Huachuca, Arizona: Research, development and test facilities, \$452,000.

Fort Monmouth, New Jersey: Troop housing facilities, \$920,000.



West Coast Relay Transmitter Station, California: Troop housing, \$203,000.

(Medical Service)

William Beaumont General Hospital, Texas: Troop housing, \$202,000.

Brooke Army Medical Center, Texas: Hospital and medical facilities, \$834,000.

Fitzsimons General Hospital, Colorado: Hospital and medical facilities and troop housing, \$1,177,000.

(Transportation Corps)

Fort Eustis, Virginia: Medical facilities, \$351,000.

#### UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York: Maintenance facilities and community facilities, \$1,973,000.

#### ARMY COMPONENT COMMANDS

(United States Army Air Defense Command)

Various locations: Operational facilities, supply facilities, administrative facilities, troop housing and utilities, \$7,729,000.

(Alaska Command Area)

Wildwood Station, Alaska: Utilities, \$55,000.

Eielson Air Force Base, Alaska: Operational facilities, \$289,000.

(Pacific Command Area)

Various locations, Hawaii: Operational facilities and utilities, \$157,000.

#### OUTSIDE THE UNITED STATES

(Army Security Agency)

Various locations: Operational facilities, supply facilities, troop housing and utilities, \$4,684,000.

#### ARMY COMPONENT COMMANDS

(Pacific Command Area)

Korea: Operational facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, utilities and ground improvements, \$11,932,000.

Fort Buckner, Okinawa: Maintenance facilities, supply facilities and utilities, \$2,775,000.

Various locations: Utilities, \$190,000.

(European Command Area)

France: Operational facilities, supply facilities and utilities, \$4,655,000.

Germany: Operational facilities, maintenance facilities, supply facilities, utilities and ground improvements, \$1,176,000.

Classified locations: Operational facilities, administrative facilities, troop housing and utilities, \$3,705,000.

## (Caribbean Command Area)

Fort Allen, Puerto Rico: Medical facilities and troop housing, \$171,000.

Fort Clayton, Canal Zone: Operational facilities, \$411,000.

Classified installations and facilities.

SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of \$2,000,000.

Construction for unforeseen requirements.

SEC. 103. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by: (a) unforeseen security considerations, (b) new weapons developments, (c) new and unforeseen research and development requirements, or (d) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$15,000,000: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1963, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Report to congressional committees.

72 Stat. 636.

SEC. 104. (a) Public Law 85-685, as amended, is amended under heading "INSIDE THE UNITED STATES" in section 101, as follows:

(1) Under the subheading "TECHNICAL SERVICES FACILITIES (Corps of Engineers)" with respect to Army Map Service, Maryland, strike out "\$1,913,000" and insert in place thereof "\$2,162,000".

75 Stat. 99.

(b) Public Law 85-685, as amended, is amended by striking out in clause (1) of section 502, "\$110,797,000" and "\$310,707,000" and inserting in place thereof "\$111,046,000" and "\$310,956,000", respectively.

74 Stat. 166.

SEC. 105. (a) Public Law 86-500, as amended, is amended under heading "INSIDE THE UNITED STATES" in section 101, as follows:

(1) Under the subheading "TECHNICAL SERVICES FACILITIES (Chemical Corps)", with respect to Dugway Proving Ground, Utah, strike out "\$87,000" and insert in place thereof "\$123,000".

(2) Under the subheading "TECHNICAL SERVICES FACILITIES (Quartermaster Corps)", with respect to Sharpe General Depot, California, strike out "\$218,000" and insert in place thereof "\$248,000".

(3) Under the subheading "Continental Army Command (Fifth Army)", with respect to Fort Riley, Kansas, strike out "\$1,332,000" and insert in place thereof "\$1,490,000".

75 Stat. 99.

(b) Public Law 86-500, as amended, is amended by striking out in clause (1) of section 502, "\$79,275,000" and "\$146,205,000" and inserting in place thereof "\$79,499,000" and "\$146,429,000", respectively.

## TITLE II

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment for the following projects:

Navy.

## INSIDE THE UNITED STATES

## SHIPYARD FACILITIES

Naval Shipyard, Boston, Massachusetts: Troop housing, \$80,000.

Naval Shipyard, Bremerton, Washington: Maintenance facilities, \$651,000.

Naval Shipyard, Charleston, South Carolina: Operational facilities, and utilities, \$499,000.

Naval Shipyard, Mare Island, California: Maintenance facilities, \$702,000.

Naval Facility, Nantucket, Massachusetts: Operational facilities, troop housing, and utilities, \$1,139,000.

Naval Submarine Base, New London, Connecticut: Supply facilities, and troop housing, \$2,618,000.

Naval Shipyard, Norfolk, Virginia: Maintenance facilities, and utilities, \$2,304,000.

Naval Submarine Base, Pearl Harbor, Oahu, Hawaii: Operational facilities, \$462,000.

Naval Shipyard, Portsmouth, New Hampshire: Maintenance facilities, and troop housing, \$899,000.

Naval Repair Facility, San Diego, California: Maintenance facilities, \$477,000.

Naval Radiological Defense Laboratory, San Francisco, California: Research, development and test facilities, \$2,534,000.

## FLEET BASE FACILITIES

Naval Station, Charleston, South Carolina: Operational facilities, administrative facilities, community facilities, and utilities, \$4,320,000.

Naval Station, Key West, Florida: Troop housing, \$563,000.

Naval Station, Mayport, Florida: Troop housing, \$765,000.

Naval Station, Norfolk, Virginia: Operational facilities, and real estate, \$3,333,000.

## NAVAL WEAPONS FACILITIES

## (Naval Air Training Stations)

Naval Auxiliary Air Station, Kingsville, Texas: Maintenance facilities, \$70,000.

Naval Air Station, Memphis, Tennessee: Training facilities, \$1,975,000.

Naval Auxiliary Air Station, Meridian, Mississippi: Community facilities, \$274,000.

Naval Air Station, Pensacola, Florida: Administrative facilities, \$130,000.

## (Field Support Stations)

Naval Station, Adak, Alaska: Troop housing, \$1,791,000.

Naval Air Station, Alameda, California: Operational facilities, \$667,000.

Naval Air Station, Cecil Field, Florida: Utilities, \$490,000.

Naval Air Station, Jacksonville, Florida: Administrative facilities, \$130,000.

Naval Air Station, Key West, Florida: Troop housing, \$2,516,000.

Naval Station, Kodiak, Alaska: Operational facilities, \$91,000.

Naval Air Station, Lemoore, California: Community facilities, \$1,021,000.

Naval Air Station, Norfolk, Virginia: Maintenance facilities, and administrative facilities, \$261,000.

Naval Air Station, North Island, California: Operational and training facilities, \$1,112,000.

Naval Air Station, Oceana, Virginia: Maintenance facilities, \$262,000.

Naval Air Station, Quonset Point, Rhode Island: Administrative facilities, \$132,000.

Naval Air Station, Whidbey Island, Washington: Troop housing and community facilities, \$1,898,000.

#### (Marine Corps Air Stations)

Marine Corps Air Station, Beaufort, South Carolina: Maintenance facilities, supply facilities, and administrative facilities, \$1,180,000.

Marine Corps Air Station, Cherry Point, North Carolina: Training facilities, maintenance facilities, and administrative facilities, \$562,000.

Marine Corps Air Station, El Toro, California: Training facilities, \$243,000.

Marine Corps Auxiliary Air Station, Yuma, Arizona: Operational facilities, and utilities, \$2,013,000.

#### (Fleet Readiness Stations)

Naval Ammunition Depot, Concord, California: Community facilities, \$189,000.

Naval Propellant Plant, Indian Head, Maryland: Supply facilities, and troop housing, \$537,000.

#### (Research, Development, Test and Evaluation Stations)

Naval Weapons Laboratory, Dahlgren, Virginia: Research, development and test facilities, \$2,042,000.

Naval Air Development Center, Johnsville, Pennsylvania: Troop housing, \$585,000.

Naval Air Material Center, Philadelphia, Pennsylvania: Administrative facilities, \$482,000.

Pacific Missile Range, Point Mugu, California: Operational facilities, supply facilities, and research development and test facilities, \$3,647,000.

Naval Ordnance Laboratory, White Oak, Maryland: Research, development and test facilities, \$3,280,000.

#### SUPPLY FACILITIES

Naval Supply Center, Norfolk, Virginia: Operational facilities, \$218,000.

Naval Regional Accounts Office, Philadelphia, Pennsylvania: Administrative facilities, \$250,000.

## MARINE CORPS FACILITIES

Marine Corps Base, Camp Pendleton, California: Operational and training facilities, maintenance facilities, troop housing and community facilities, and utilities and ground improvements, \$4,884,000.

Marine Corps Schools, Quantico, Virginia: Training facilities, \$990,000.

## SERVICE SCHOOL FACILITIES

Naval Academy, Annapolis, Maryland: Troop housing, \$5,027,000.

Naval Weapons Plant, District of Columbia: Administrative facilities, \$128,000.

Naval Training Center, Great Lakes, Illinois: Training facilities, \$1,592,000.

Naval Amphibious Base, Little Creek, Virginia: Training facilities, and troop housing, \$1,773,000.

Officer Candidate School, Newport, Rhode Island: Troop housing, \$2,772,000.

Fleet Antisubmarine Warfare School, San Diego, California: Training facilities, troop housing, and utilities, \$2,537,000.

## MEDICAL FACILITIES

Naval Hospital, Long Beach, California: Hospital and medical facilities, and utilities and ground improvements, \$7,223,000.

Naval Aviation Medical Center, Pensacola, Florida: Training facilities, and research, development and test facilities, \$3,825,000.

Naval Hospital, Philadelphia, Pennsylvania: Utilities, \$190,000.

## COMMUNICATION FACILITIES

Naval Radio Station, Kodiak, Alaska: Utilities, \$117,000.

## OFFICE OF NAVAL RESEARCH FACILITIES

Naval Research Laboratory, District of Columbia: Research, development and test facilities, \$5,582,000.

Naval Training Device Center, Port Washington, Long Island, New York: Research, development and test facilities, \$265,000.

## YARDS AND DOCKS FACILITIES

Public Works Center, Norfolk, Virginia: Operational facilities, and utilities, \$572,000.

## OUTSIDE THE UNITED STATES

## NAVAL WEAPONS FACILITIES

Naval Air Station, Agana, Guam: Real estate, \$133,000.

Naval Station, Argentia, Newfoundland, Canada: Operational facilities, \$71,000.

Marine Corps Air Facility, Futema, Okinawa: Maintenance facilities, and troop housing and community facilities, \$1,976,000.

Marine Corps Air Facility, Iwakuni, Japan: Troop housing, \$679,000.

Naval Air Facility, Naha, Okinawa: Operational facilities, \$495,000.

Naval Station, Roosevelt Roads, Puerto Rico: Maintenance facilities, \$57,000.

Fleet Activities, Okinawa: Utilities, \$144,000.

Naval Air Facility, Sigonella, Sicily, Italy: Operational facilities, and community facilities, \$935,000.

## MARINE CORPS FACILITIES

Camp Smedley D. Butler, Okinawa: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing and community facilities, and utilities and ground improvements, \$7,679,000.

## MEDICAL FACILITIES

Naval Hospital, Yokosuka, Japan: Hospital facilities, \$118,000.

## COMMUNICATION FACILITIES

Naval Communication Station, Asmara, Eritrea: Operational facilities, and troop housing, \$4,346,000.

Naval Communication Station, Finegayan, Guam: Utilities, \$166,000.

## YARDS AND DOCKS FACILITIES

Public Works Center, Guam: Utilities, \$5,688,000.

Classified installations and facilities.

SEC. 202. The Secretary of the Navy may establish or develop classified naval installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, resettlement, site preparation, appurtenances, utilities, and equipment, in the total amount of \$89,330,000.

Construction for unforeseen requirements.

SEC. 203. The Secretary of the Navy may establish or develop naval installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by: (a) unforeseen security considerations, (b) new weapons developments, (c) new and unforeseen research and development requirements, or (d) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$15,000,000: *Provided*, That the Secretary of the Navy or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1963, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Report to congressional committees.

SEC. 204. (a) Public Law 161, Eighty-fourth Congress, as amended, is amended in section 201 under the heading "CONTINENTAL UNITED STATES" and subheading "AVIATION FACILITIES (Special Purpose Air Stations)", with respect to the Naval Air Station, Lakehurst, New Jersey, by striking out "\$17,911,000" and inserting in place thereof "\$18,263,000".

(b) Public Law 161, Eighty-fourth Congress, as amended, is amended by striking out in clause (2) of section 502, the amounts "\$309,134,600" and "\$579,301,300" and inserting respectively in place thereof "\$309,486,600" and "\$579,653,300".

SEC. 205. (a) Public Law 86-500, as amended, is amended in section 201 under the heading "INSIDE THE UNITED STATES" and subheading "SERVICE SCHOOL FACILITIES", with respect to the Naval Academy,

69 Stat. 329.

71 Stat. 541.

74 Stat. 174.

Annapolis, Maryland, by striking out "\$6,000,000", and inserting in place thereof "\$8,605,000". 74 Stat. 172.

(b) Public Law 86-500, as amended, is amended by striking out in clause (2) of section 502, the amounts "\$87,075,000" and "\$130,666,000" and inserting respectively in place thereof "\$89,680,000" and "\$133,271,000". 75 Stat. 103.

SEC. 206. (a) Public Law 87-57 is amended in section 201 under the heading "INSIDE THE UNITED STATES" and subheading "SERVICE SCHOOL FACILITIES", with respect to the Naval Academy, Annapolis, Maryland, by striking out "\$9,687,000", and inserting in place thereof "\$12,006,000". 75 Stat. 101.

(b) Public Law 87-57 is amended by striking out in clause (2) of section 602, the amounts "\$79,239,000" and "\$138,344,000", and inserting respectively in place thereof "\$81,558,000" and "\$140,663,000". 75 Stat. 109.

SEC. 207. Notwithstanding any other provision of law, the Secretary of the Navy, or his designee, is authorized to enter into a contract for a period not to exceed twenty years for the purpose of providing water for military installations located at or near Beaufort, South Carolina. Water facilities, Beaufort, S. C.

### TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects: Air Force.

#### INSIDE THE UNITED STATES

##### AIR DEFENSE COMMAND

Duluth Municipal Airport, Duluth, Minnesota: Operational and training facilities, maintenance facilities, supply facilities, medical facilities, and real estate, \$2,812,000.

Grand Forks Air Force Base, Grand Forks, North Dakota: Operational and training facilities, supply facilities, administrative facilities, and utilities, \$1,310,000.

Hamilton Air Force Base, San Rafael, California: Operational facilities, maintenance facilities, and supply facilities, \$352,000.

K. I. Sawyer Municipal Airport, Marquette, Michigan: Operational and training facilities, maintenance facilities, troop housing, and community facilities, \$1,477,000.

Kincheloe Air Force Base, Sault Sainte Marie, Michigan: Training facilities, and troop housing, \$648,000.

Kingsley Field, Klamath Falls, Oregon: Operational facilities, and maintenance facilities, \$464,000.

Minot Air Force Base, Minot, North Dakota: Operational facilities, maintenance facilities, supply facilities, troop housing, and utilities, \$1,868,000.

Paine Field, Everett, Washington: Operational facilities, maintenance facilities, and real estate, \$2,698,000.

Richards-Gebaur Air Force Base, Kansas City, Missouri: Medical facilities, \$158,000.

Selfridge Air Force Base, Mount Clemens, Michigan: Operational facilities and real estate, \$179,000.

Spokane International Airport, Spokane, Washington: Operational facilities, \$80,000.

Suffolk County Air Force Base, Westhampton Beach, New York: Operational facilities, medical facilities, and real estate, \$867,000.

Tyndall Air Force Base, Panama City, Florida: Maintenance facilities and utilities, \$241,000.

## AIR FORCE LOGISTICS COMMAND

Griffiss Air Force Base, Rome, New York: Maintenance facilities, \$206,000.

Heath Maintenance Annex, Newark, Ohio: Maintenance facilities, \$1,676,000.

Hill Air Force Base, Ogden, Utah: Maintenance facilities, supply facilities, hospital facilities, administrative facilities, and community facilities, \$5,116,000.

Hill Air Force Range, Lakeside, Utah: Maintenance facilities, supply facilities, community facilities, and utilities, \$7,581,000.

McClellan Air Force Base, Sacramento, California: Operational facilities, \$2,976,000.

Robins Air Force Base, Macon, Georgia: Maintenance facilities, and administrative facilities, \$389,000.

Tinker Air Force Base, Oklahoma City, Oklahoma: Operational facilities, \$6,700,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Training facilities, research, development, and test facilities, medical facilities, and utilities, \$14,840,000.

## AIR FORCE SYSTEMS COMMAND

Arnold Engineering Development Center, Tullahoma, Tennessee: Research, development, and test facilities, \$2,462,000.

Edwards Air Force Base, Muroc, California: Research, development, and test facilities, \$2,934,000.

Eglin Air Force Base, Valparaiso, Florida: Research, development, and test facilities, \$282,000.

Holloman Air Force Base, Alamogordo, New Mexico: Research, development, and test facilities, \$619,000.

Laurence G. Hanscom Field, Bedford, Massachusetts: Operational facilities, administrative facilities, utilities, and real estate, \$1,540,000.

Patrick Air Force Base, Cocoa, Florida: Hospital facilities, administrative facilities, troop housing, and utilities, \$6,335,000.

Sacramento Peak Upper Air Research Site, Alamogordo, New Mexico: Research, development, and test facilities, \$45,000.

Various locations, Atlantic Missile Range: Research, development, and test facilities, and administrative facilities, \$7,934,000.

## AIR TRAINING COMMAND

Amarillo Air Force Base, Amarillo, Texas: Maintenance facilities, and troop housing, \$351,000.

Chanute Air Force Base, Rantoul, Illinois: Training facilities, maintenance facilities, community facilities, and utilities, \$1,731,000.

Craig Air Force Base, Selma, Alabama: Training facilities, and maintenance facilities, \$297,000.

James Connally Air Force Base, Waco, Texas: Troop housing and utilities, \$191,000.

Keesler Air Force Base, Biloxi, Mississippi: Maintenance facilities, troop housing, and community facilities, \$1,288,000.

Lackland Air Force Base, San Antonio, Texas: Training facilities, medical facilities, administrative facilities, troop housing, community facilities, and utilities, \$5,088,000.

Perrin Air Force Base, Sherman, Texas: Operational facilities, \$123,000.

Sheppard Air Force Base, Wichita Falls, Texas: Training facilities, maintenance facilities, and troop housing, \$1,441,000.

Vance Air Force Base, Enid, Oklahoma: Maintenance facilities, \$37,000.



## AIR UNIVERSITY

Maxwell Air Force Base, Montgomery, Alabama: Utilities, \$245,000.

## ALASKAN AIR COMMAND

Eielson Air Force Base, Fairbanks, Alaska: Operational facilities, \$809,000.

Elmendorf Air Force Base, Anchorage, Alaska: Operational facilities, administrative facilities, and utilities, \$2,939,000.

Galena Airport, Galena, Alaska: Maintenance facilities, \$135,000.

King Salmon Airport, Naknek, Alaska: Operational facilities, \$494,000.

Various locations: Operational facilities, maintenance facilities, troop housing, and community facilities, \$1,607,000.

## HEADQUARTERS COMMAND

Andrews Air Force Base, Camp Springs, Maryland: Operational facilities, maintenance facilities, and administrative facilities, \$1,270,000.

## MILITARY AIR TRANSPORT SERVICE

McGuire Air Force Base, Wrightstown, New Jersey: Operational facilities, \$269,000.

Travis Air Force Base, Fairfield, California: Operational facilities, \$71,000.

## STRATEGIC AIR COMMAND

Altus Air Force Base, Altus, Oklahoma: Maintenance facilities, \$120,000.

Bergstrom Air Force Base, Austin, Texas: Community facilities, \$350,000.

Blytheville Air Force Base, Blytheville, Arkansas: Operational facilities, \$50,000.

Bunker Hill Air Force Base, Peru, Indiana: Operational facilities, \$210,000.

Carswell Air Force Base, Fort Worth, Texas: Community facilities, \$154,000.

Castle Air Force Base, Merced, California: Maintenance facilities, \$229,000.

Clinton-Sherman Air Force Base, Clinton, Oklahoma: Operational facilities, and maintenance facilities, \$170,000.

Columbus Air Force Base, Columbus, Mississippi: Operational facilities, \$71,000.

Dow Air Force Base, Bangor, Maine: Operational facilities, maintenance facilities, and supply facilities, \$473,000.

Dyess Air Force Base, Abilene, Texas: Operational facilities, \$6,027,000.

Ellsworth Air Force Base, Rapid City, South Dakota: Operational facilities, and maintenance facilities, \$416,000.

Fairchild Air Force Base, Spokane, Washington: Maintenance facilities, \$120,000.

Glasgow Air Force Base, Glasgow, Montana: Training facilities, \$276,000.

Larson Air Force Base, Moses Lake, Washington: Maintenance facilities, \$160,000.

Little Rock Air Force Base, Little Rock, Arkansas: Operational facilities, and maintenance facilities, \$415,000.

Lockbourne Air Force Base, Columbus, Ohio: Operational facilities, and maintenance facilities, \$614,000.

Loring Air Force Base, Limestone, Maine: Operational facilities, and maintenance facilities, \$255,000.

March Air Force Base, Riverside, California: Operational facilities, \$96,000.

McCoy Air Force Base, Orlando, Florida: Maintenance facilities, \$380,000.

Offutt Air Force Base, Omaha, Nebraska: Hospital facilities, administrative facilities, troop housing and utilities, \$8,550,000.

Pease Air Force Base, Portsmouth, New Hampshire: Operational facilities, and maintenance facilities, \$449,000.

Plattsburgh Air Force Base, Plattsburgh, New York: Maintenance facilities, \$60,000.

Turner Air Force Base, Albany, Georgia: Maintenance facilities, \$394,000.

Walker Air Force Base, Roswell, New Mexico: Operational facilities, and maintenance facilities, \$276,000.

Westover Air Force Base, Chicopee Falls, Massachusetts: Operational facilities, maintenance facilities, and medical facilities, \$601,000.

Wurtsmith Air Force Base, Oscoda, Michigan: Operational facilities and community facilities, \$502,000.

#### TACTICAL AIR COMMAND

Cannon Air Force Base, Clovis, New Mexico: Operational facilities, \$300,000.

England Air Force Base, Alexandria, Louisiana: Operational facilities, \$140,000.

George Air Force Base, Victorville, California: Operational facilities, and maintenance facilities, \$392,000.

Langley Air Force Base, Hampton, Virginia: Operational facilities, and hospital facilities, \$3,157,000.

Luke Air Force Base, Phoenix, Arizona: Operational facilities, and maintenance facilities, \$401,000.

Nellis Air Force Base, Las Vegas, Nevada: Maintenance facilities, supply facilities, hospital facilities, and utilities, \$3,136,000.

Pope Air Force Base, Fort Bragg, North Carolina: Operational facilities, maintenance facilities, administrative facilities, and troop housing, \$4,753,000.

Sewart Air Force Base, Smyrna, Tennessee: Operational facilities, \$418,000.

Seymour-Johnson Air Force Base, Goldsboro, North Carolina: Maintenance facilities, supply facilities, and utilities, \$452,000.

#### AIRCRAFT CONTROL AND WARNING SYSTEM

Various locations: Maintenance facilities, supply facilities, troop housing, community facilities, and utilities, \$733,000.

#### SPECIAL FACILITIES

Various locations: Operational facilities, \$3,176,000.

#### OUTSIDE THE UNITED STATES

##### CARIBBEAN AIR COMMAND

Howard Air Force Base, Canal Zone: Operational facilities, \$1,747,000.

## MILITARY AIR TRANSPORT SERVICE

Various locations: Operational facilities, \$112,000.

## PACIFIC AIR FORCE

Various locations: Operational and training facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, \$11,116,000.

## STRATEGIC AIR COMMAND

Ramey Air Force Base, Puerto Rico: Operational facilities, \$50,000.  
Various locations: Operational facilities, \$221,000.

## UNITED STATES AIR FORCES IN EUROPE

Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, \$5,435,000.

## UNITED STATES AIR FORCE SECURITY SERVICE

Various locations: Operational facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, and utilities, \$8,826,000.

## AIRCRAFT CONTROL AND WARNING SYSTEM

Various locations: Operational facilities, troop housing, community facilities, and utilities, \$2,642,000.

## SPECIAL FACILITIES

Various locations: Operational facilities, \$2,314,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of \$564,265,000.

Classified installations and facilities.

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by: (a) unforeseen security considerations, (b) new weapons developments, (c) new and unforeseen research and development requirements, or (d) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with the interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$15,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1963, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Construction for unforeseen requirements.

Report to congressional committees.

74 Stat. 178.

SEC. 304. (a) Public Law 86-500, as amended, is amended in section 301 under the heading "INSIDE THE UNITED STATES" and subheading "HEADQUARTERS COMMAND", with respect to Andrews Air Force Base, Camp Springs, Maryland, by striking out "\$3,109,000" and inserting in place thereof "\$3,294,000".

75 Stat. 108.

(b) Public Law 86-500, as amended, is amended by striking out in clause (3) of section 502 the amounts of "\$206,035,000" and "\$728,605,000" and inserting in place thereof "\$206,220,000" and "\$728,790,000", respectively.

#### TITLE IV

Defense.  
Military installa-  
tions and facili-  
ties.

SEC. 401. The Secretary of Defense, subject to the provisions of section 610, may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for defense agencies and activities (other than the military departments and the Office of Civil Defense), for the following projects:

##### DEFENSE ATOMIC SUPPORT AGENCY

Armed Forces Radiobiology Research Institute, National Naval Medical Center, Bethesda, Maryland: Research, development, and test facilities, \$968,000.

Various locations: Utilities, \$193,000.

##### DEFENSE COMMUNICATIONS AGENCY

NORAD Headquarters, Colorado Springs, Colorado: Operational facilities, \$1,446,000.

##### DEFENSE INTELLIGENCE AGENCY

Metropolitan Washington, District of Columbia, area: Administrative facilities and utilities, \$2,800,000.

##### DEFENSE SUPPLY AGENCY

Cameron Station, Alexandria, Virginia: Operational facilities, administrative facilities, and utilities, \$3,590,000.

Columbus General Depot, Columbus, Ohio: Administrative facilities and utilities, \$3,191,000.

Gentile Air Force Station, Dayton, Ohio: Administrative facilities, \$1,296,000.

Military Industrial Supply Agency, Philadelphia, Pennsylvania: Administrative facilities, \$1,020,000.

##### NATIONAL SECURITY AGENCY

Fort Meade, Maryland: Operational facilities, administrative facilities, and utilities, \$12,870,000.

Various locations: Operational facilities, supply facilities, troop housing, community facilities, and utilities, \$6,276,000.

#### TITLE V—MILITARY FAMILY HOUSING

Family housing  
programs.

SEC. 501. (a) For the purpose of providing improved management and administration of funds appropriated or otherwise made available to the Department of Defense for family housing programs there is

hereby established on the books of the Treasury Department the Department of Defense family housing management account (hereinafter referred to as the "management account").

"Management  
account."

(b) The management account shall be administered by the Secretary of Defense as a single account. Into such account there shall be transferred (1) the unexpended balance of the funds established pursuant to subsections (g) and (h) of section 404 of the Housing Amendments of 1955, and (2) appropriations hereafter made to the Department of Defense, for the purpose of, or which are available for, the payment of costs arising in connection with the construction, acquisition, replacement, addition, expansion, extension, alteration, leasing, operation, or maintenance of family housing, including the cost of principal and interest charges, and insurance premiums, arising in connection with the acquisition of such housing, and mortgage insurance premiums payable under section 222(c) of the National Housing Act.

70 Stat. 1112.  
42 USC 1594a.

(c) Obligations against the management account may be made by the Secretary of Defense, in such amounts as may be specified from time to time in appropriation Acts, for the purpose of defraying, in the manner and to the extent authorized by law, the costs referred to in subsection (b).

68 Stat. 604.  
12 USC 1715m.

(d) The last sentence of subsection (f) and subsections (g) and (h) of section 404 of the Housing Amendments of 1955 (42 U.S.C. 1594a. (g) and (h)) are hereby repealed.

Repeal.

SEC. 502. The Secretary of Defense, or his designee, is authorized to construct, at the locations hereinafter named, family housing units, in the numbers hereinafter listed, but no construction shall be commenced at any such locations in the United States, until the Secretary shall have consulted with the Administrator, Housing and Home Finance Agency, as to the availability of adequate private housing at such locations. The authority to construct housing under this title shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

Family housing  
units.

(1) For Department of the Army: Inside the United States and Caribbean, 2,725 units, \$50,686,500.

Redstone Arsenal, Alabama, 150 units.

Petroleum Distribution Pipeline, Alaska, 19 units.

Fort Richardson, Alaska, 100 units.

Pine Bluff Arsenal, Arkansas, 33 units.

Sharpe General Depot, California, 40 units.

Fitzsimons General Hospital, Colorado, 50 units.

Fort Carson, Colorado, 280 units.

Pueblo Ordnance Depot, Colorado, 18 units.

Rocky Mountain Arsenal, Colorado, 44 units.

Fort Stewart, Georgia, 132 units.

U.S. Army, Hawaii, 250 units.

Fort Leavenworth, Kansas, 100 units.

Fort Riley, Kansas, 300 units.

Fort Ritchie, Maryland, 179 units.

Picatinny Arsenal, New Jersey, 40 units.

Carlisle Barracks, Pennsylvania, 36 units.

Charleston Transportation Depot, South Carolina, 10 units.

Fort Sam Houston, Texas, 204 units.

Dugway Proving Ground, Utah, 67 units.

Fort Lee, Virginia, 100 units.

Pacific Side, Canal Zone, 500 units.

Quarry Heights, Canal Zone, 20 units.

Fort Allen, Puerto Rico, 53 units.

Outside the United States and Caribbean, 364 units, \$6,485,000.

Army Security Agency, location 04, 60 units, \$900,000.

Army Security Agency, location 12, 157 units, \$2,723,000.

Fort Buckner, Okinawa, 147 units, \$2,862,000.

(2) Department of the Navy: Inside the United States and Caribbean, 3,708 units, \$71,015,000.

Naval Station, Adak, Alaska, 250 units.

Naval Air Station, Alameda, California, 500 units.

Naval Radio Station, Dixon, California, 7 units.

Marine Corps Air Station, El Toro, California, 400 units.

Naval Station, Long Beach, California, 250 units.

Naval Shipyard, Mare Island, California, 400 units.

Marine Corps Base, Camp Pendleton, California, 400 units.

Naval Station, San Diego, California, 500 units.

Naval Air Station, Cecil Field, Florida, 200 units.

Naval Mine Defense Laboratory, Panama City, Florida, 40 units.

Naval Air Station, Sanford, Florida, 10 units.

Marine Corps Air Station, Kaneohe Bay, Hawaii, 200 units.

Naval Research Laboratory, Chesapeake Bay Annex, Maryland, 6 units.

Naval Base, Portsmouth, New Hampshire, 150 units.

Naval Ammunition Depot, Earle, New Jersey, 48 units.

Naval Air Station, New York, New York, 8 units.

Naval Supply Depot, Mechanicsburg, Pennsylvania, 45 units.

Naval Supply Center, Cheatham Annex, Virginia, 50 units.

Fleet Anti-Air Warfare Training Center, Dam Neck, Virginia, 15 units.

Naval Air Station, Oceana, Virginia, 25 units.

Naval Weapons Station, Yorktown, Virginia, 100 units.

Naval Radio Station, Sabana Seca, Puerto Rico, 104 units.

Outside the United States and Caribbean, 200 units, \$7,000,000.

Naval Station, Argentina, Canada, 200 units, \$7,000,000.

(3) For Department of the Air Force: Inside the United States, 5,865 units, \$110,127,000.

Eielson Air Force Base, Alaska, 160 units.

Elmendorf Air Force Base, Alaska, 290 units.

Norton Air Force Base, California, 14 units.

Vandenberg Air Force Base, California, 200 units.

Robins Air Force Base, Georgia, 300 units.

Chanute Air Force Base, Illinois, 190 units.

Dow Air Force Base, Maine, 200 units.

K. I. Sawyer Air Force Base, Michigan, 400 units.

Kincheloe Air Force Base, Michigan, 400 units.

Wurtsmith Air Force Base, Michigan, 300 units.

Glasgow Air Force Base, Montana, 200 units.

Griffiss Air Force Base, New York, 135 units.

Hancock Field, New York, 100 units.

Suffolk County Air Force Base, New York, 100 units.

Pope Air Force Base, North Carolina, 300 units.

Grand Forks Air Force Base, North Dakota, 300 units.

Minot Air Force Base, North Dakota, 430 units.

Clinton-Sherman Air Force Base, Oklahoma, 100 units.

Kingsley Field, Oregon, 200 units.

Hill Air Force Base, Utah, 200 units.

Langley Air Force Base, Virginia, 300 units.

Paine Field, Washington, 100 units.

Various locations: 946 relocatable units.

Outside the United States, 930 units, \$18,670,000.

Clark Air Base, Philippine Islands, 150 units, \$2,790,000.

Kadena Air Base, Okinawa, 500 units, \$9,900,000.

Site I-D, 200 units, \$4,540,000.

Site 10-C, 80 units, \$1,440,000.

SEC. 503. (a) The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions not otherwise authorized by law of family housing units at various locations under the jurisdiction of the Department of Defense which, on the effective date of this Act, have not been designated as public quarters. Units so improved shall be designated public quarters.

(b) No family housing unit may be improved at a total cost of more than 50 per centum of the maximum cost of construction prescribed by this Act for an equivalent unit of new family housing.

SEC. 504. (a) Sections 4774(f) and 9774(f) of title 10, United States Code, are amended to read as follows:

“(f) If the Secretary of Defense, or his designee, determines, on the basis of a survey of the family housing needs at any installation where the construction of family housing is authorized, that the construction of four-bedroom units for enlisted men is required, such units may be constructed with a net floor area of one thousand two hundred and fifty square feet or less.”

71 Stat. 555,  
556.

(b) Section 7574(d) of title 10, United States Code, is amended to read as follows:

71 Stat. 556.

“(d) If the Secretary of Defense, or his designee, determines, on the basis of a survey of the family housing needs at any installation where the construction of family housing is authorized, that the construction of four-bedroom units for enlisted men is required, such units may be constructed with a net floor area of one thousand two hundred and fifty square feet or less.”

(c) Sections 4774(g) and 9774(g) of title 10, United States Code, are amended to read as follows:

73 Stat. 321,  
322.

“(g) If the Secretary of Defense, or his designee, determines, on the basis of a survey of the family housing needs at an installation where the construction of family housing is authorized, that the construction of four-bedroom units for officers holding grades below major is required, such units may be constructed with a net floor area of one thousand four hundred square feet or less.”

(d) Section 7574(e) of title 10, United States Code, is amended to read as follows:

73 Stat. 321.

“(e) If the Secretary of Defense, or his designee, determines, on the basis of a survey of the family housing needs at an installation where the construction of family housing is authorized, that the construction of four-bedroom units for officers holding grades below lieutenant commander or equivalent is required, such units may be constructed with a net floor area of one thousand four hundred square feet or less.”

SEC. 505. Section 515 of the Act of July 15, 1955 (69 Stat. 324, 352), as amended (75 Stat. 96, 111), is further amended by deleting the word “tactical” in the third line of the section.

10 USC 2674  
note.

SEC. 506. Authorizations for the construction of family housing provided in this Act shall be subject to the following limitations:

Limitations.

(a) the cost per family unit shall not exceed—

\$22,000 for generals or equivalent;

\$19,800 for colonels or equivalent;

\$17,600 for major and/or lieutenant colonel or equivalent;

\$15,400 for all other commissioned or warrant officer personnel or equivalent;

\$13,200 for enlisted personnel;

except that when such units are constructed outside the continental United States or in Alaska, the average cost per unit of all such units shall not exceed \$32,000, and in no event shall the individual cost exceed \$40,000.

Exceptions.

The cost limitations provided in this subsection shall be applied to the five-foot line.

(b) No project in excess of 50 units at a specific location, other than those constructed outside the continental United States or in Alaska, shall be constructed at an average unit cost exceeding \$17,500, including the costs of land acquisition, site preparation, and installation of utilities.

(c) No family housing unit, other than those constructed outside the continental United States or in Alaska, shall be constructed at a total cost exceeding \$26,000, including the cost of the family unit and the proportionate costs of land acquisition, site preparation, and installation of utilities. For the purposes of this section the cost of the family unit shall include ranges, refrigerators, shades, screens, and fixtures.

SEC. 507. No funds may be appropriated after December 31, 1962, for the construction, acquisition, leasing, addition, extension, expansion, alteration, or operation and maintenance of family housing under the jurisdiction of the Department of Defense unless the appropriation of such funds has been authorized by legislation enacted after such date.

## TITLE VI

### GENERAL PROVISIONS

Land improve-  
ments, etc.

70A Stat. 269,  
590.

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended (31 U.S.C. 529, 40 U.S.C. 259, 267), and sections 477(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

Appropriation.

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for military construction projects authorized by titles I, II, III, and IV shall not exceed—

(1) for title I: Inside the United States, \$101,743,000; outside the United States, \$29,699,000; section 102, \$2,000,000; section 103, \$15,000,000; or a total of \$148,442,000;

(2) for title II: Inside the United States, \$86,871,000; outside the United States, \$22,487,000; section 202, \$89,330,000; section 203, \$15,000,000; or a total of \$213,688,000;

(3) for title III: Inside the United States, \$131,651,000; outside the United States, \$32,463,000; section 302, \$564,265,000; section 303, \$15,000,000; or a total of \$743,379,000;

(4) for title IV: A total of \$33,650,000;

(5) for title V: For housing units to be constructed under section 501 for Department of the Army, \$57,171,500; Department of the Navy, \$78,015,000; Department of the Air Force, \$128,797,000; or a total of \$263,983,500.

SEC. 603. Any of the amounts named in title I, II, III, and IV of this Act, may, in the discretion of the Secretary concerned, be increased by 5 per centum for projects inside the United States (other than Alaska) and by 10 per centum for projects outside the United States or in Alaska, if he determines in the case of any particular



project that such increase (1) is required for the sole purpose of meeting unusual variations in cost arising in connection with that project, and (2) could not have been reasonably anticipated at the time such project was submitted to the Congress. However, the total costs of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

**SEC. 604. Whenever—**

(1) the President determines that compliance with section 2313(b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

(2) The Secretary of Defense and the Comptroller General have agreed upon alternative methods of adequately auditing those contracts;

the President may exempt those contracts from the requirements of that section.

**SEC. 605.** Contracts for construction made by the United States for performance within the United States, and its possessions, under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Bureau of Yards and Docks, Department of the Navy, unless the Secretary of Defense determines that because such jurisdiction and supervision is wholly impracticable such contracts should be executed under the jurisdiction and supervision of another department or Government agency, and shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report semi-annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

**SEC. 606.** As of July 1, 1963, all authorizations for military public works to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in Acts approved before June 9, 1960, and not superseded or otherwise modified by a later authorization are repealed, except—

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

(2) the authorization for public works projects as to which appropriated funds have been obligated for construction contracts or land acquisitions in whole or in part before July 1, 1963, and authorizations for appropriations therefor;

(3) notwithstanding the provisions of section 606 of the Act of June 27, 1961 (75 Stat. 96, 110), the authorization for—

(a) utilities in the amount of \$2,300,000 at Fort Campbell, Kentucky, that is contained in title I, section 101, under the heading "INSIDE THE UNITED STATES" and subheading "FIELD FORCES FACILITIES (Third Army Area)" of the Act of August 10, 1959 (73 Stat. 302, 303);

Contracts.

70A Stat. 133.

70A Stat. 127.  
10 USC 2301-

2314.  
Reports to Congress.

Repeals.

Exceptions.

(b) maintenance facilities in the amount of \$330,000 at the Pacific Missile Range, Point Mugu, California, that is contained in title II, section 201, under the heading "INSIDE THE UNITED STATES" and subheading "AVIATION FACILITIES (Special Purpose Air Stations)" in the Act of August 10, 1959 (73 Stat. 302, 307); and

(c) maintenance facilities, medical facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements in the amount of \$3,957,000 for Naval Radio Research Station, Sugar Grove, West Virginia, that is contained in title II, section 201, under the heading "INSIDE THE UNITED STATES" and subheading "COMMUNICATION FACILITIES" of the Act of August 10, 1959 (73 Stat. 308).

Options.

72 Stat. 1460.

SEC. 607. Subsections (a) and (b) of section 2677 of title 10, United States Code, are amended to read as follows:

(a) The Secretary of a military department may acquire an option on a parcel of real property before or after its acquisition is authorized by law, if he considers it suitable and likely to be needed for a military project of his department.

(b) As consideration for an option acquired under subsection (a), the Secretary may pay, from funds available to his department for real property activities, an amount that is not more than 5 per centum of the appraised fair market value of the property. However, such amount must be credited to the purchase price of the property if the acquisition is completed.

Unit cost limitations.

SEC. 608. None of the authority contained in titles I, II, and III of this Act shall be deemed to authorize any building construction project inside the United States (other than Alaska) at a unit cost in excess of—

- (1) \$32 per square foot for cold-storage warehousing;
- (2) \$8 per square foot for regular warehousing;
- (3) \$1,850 per man for permanent barracks;
- (4) \$8,500 per man for bachelor officer quarters;

unless the Secretary of Defense determines that, because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable.

SEC. 609. Section 109(a) of the Act of August 20, 1958 (72 Stat. 641), as amended by section 413 of the Act of August 10, 1959 (73 Stat. 322), is further amended by striking the preceding comma and the following: "and four hundred acres for a temporary spoil disposal area for a period of ten years," and by inserting at the end of the said section 109(a), "The Administrator of General Services shall, incident to this sale, reserve (for the benefit of the Chief of Engineers) a spoil disposal easement expiring August 20, 1968, on four hundred acres to be selected by the Administrator."

Real property facilities.

SEC. 610. (a) Any maintenance, rehabilitation, repair, alteration, addition, expansion, or extension of real property facilities required incident to the operation of activities and agencies of the Department of Defense (other than the military departments) financed from appropriations for military functions of the Department of Defense and any construction of real property facilities authorized herein for such activities and agencies will be accomplished by or through military departments designated by the Secretary of Defense.

(b) Real property facilities under the jurisdiction of the Department of Defense utilized by activities and agencies of the Department of Defense (other than the military departments) shall be under the jurisdiction of a military department designated by the Secretary of Defense.

## TITLE VII

## RESERVE FORCES FACILITIES

SEC. 701. Section 2233a of title 10, United States Code, is amended to read as follows: 72 Stat. 665.

“§ 2233a. Limitation

“(1) No expenditure or contribution that is more than \$50,000 may be made under section 2233 of this title for any facility until after the expiration of thirty days from the date upon which the Secretary of Defense or his designee notifies the Senate and the House of Representatives of the location, nature, and estimated cost of such facility. This requirement does not apply to the following:

70A Stat. 121;  
72 Stat. 1456.

“(a) Facilities acquired by lease.

“(b) Facilities acquired, constructed, expanded, rehabilitated, converted, or equipped to restore or replace facilities damaged or destroyed, where the Senate and the House of Representatives have been notified of that action.

“(2) Under such regulations as the Secretary of Defense may prescribe, any project authorized pursuant to section 2233(a) which does not cost more than \$25,000 may be accomplished from appropriations available for maintenance and operations.”

SEC. 702. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

70A Stat. 120.  
10 USC 2231-2238.

(1) for Department of the Army:

(a) Army National Guard of the United States, \$11,000,000; and

(b) Army Reserve, \$9,900,000;

(2) for Department of the Navy: Naval and Marine Corps Reserves, \$8,200,000;

(3) for Department of the Air Force:

(a) Air National Guard of the United States, \$12,700,000; and

(b) Air Force Reserve, \$4,700,000.

SEC. 703. The Secretary of Defense may establish or develop installations and facilities under this title without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

Land improvements, etc.

31 USC 529;  
40 USC 259, 267.  
70A Stat. 269,  
590.

40 USC 255.

SEC. 704. As of July 1, 1963, all authorizations for specific facilities for reserve forces to be accomplished by the Secretary of Defense, and all authorizations for appropriations therefor, that are contained in the Reserve Forces Facilities Act of 1960, and not superseded or otherwise modified by a later authorization, are repealed, except the authorizations for facilities for the reserve forces as to which appropriated funds have been obligated in whole or in part before July 1, 1963, and authorizations for appropriations therefor.

Partial repeals.

74 Stat. 188.

75 Stat. 114.

SEC. 705. (a) Public Law 87-57 is amended under the heading "ARMY NATIONAL GUARD OF THE UNITED STATES (ARMORY)" in clause (1) of section 701 with respect to Stockton, California, strike out "\$254,000" and insert in place thereof "\$350,000".

(b) Public Law 87-57 is amended by striking out in clause (1) of section 704, "\$22,682,750" and inserting in place thereof "\$22,778,750".

Approved July 27, 1962.

## Public Law 87-555

### AN ACT

July 27, 1962  
[H. R. 7727]

To amend title 10, United States Code, to permit members of the Armed Forces to accept fellowships, scholarships, or grants.

Armed Forces.  
Fellowships or  
grants, accept-  
ance.

70A Stat. 144.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 155 of title 10, United States Code, is amended—

(1) by adding the following new section at the end thereof:

#### "§ 2603. Acceptance of fellowships, scholarships, or grants

"(a) Notwithstanding any other provision of law, a fellowship, scholarship, or grant may, under regulations to be prescribed by the President or his designee, be made by a corporation, fund, foundation, or educational institution that is organized and operated primarily for scientific, literary, or educational purposes to any member of the Armed Forces, and the benefits thereof may be accepted by him—

"(1) in recognition of outstanding performance in his field;

"(2) to undertake a project that may be of value to the United States; or

"(3) for development of his recognized potential for future career service.

"However, the benefits of such a fellowship, scholarship, or grant may be accepted by the member in addition to his pay and allowances only to the extent that those benefits would be conferred upon him if the education or training contemplated by that fellowship, scholarship, or grant were provided at the expense of the United States. In addition, if such a benefit, in cash or in kind, is for travel, subsistence, or other expenses, an appropriate reduction shall be made from any payment that is made for the same purpose to the member by the United States incident to his acceptance of the fellowship, scholarship, or grant.

"(b) Each member of the Armed Forces who accepts a fellowship, scholarship, or grant in accordance with subsection (a) shall, before he is permitted to undertake the education or training contemplated by that fellowship, scholarship, or grant, agree in writing that, after he completes the education or training, he will serve on active duty for a period at least three times the length of the period of the education or training."; and

(2) by adding the following new item at the end of the analysis:

"2603. Acceptance of fellowships, scholarships, or grants."

70A Stat. 619;  
73 Stat. 359.

SEC. 2. Section 221 of the Public Health Service Act, as amended (42 U.S.C. 213a), is amended by adding the following new clause at the end thereof:

"(9) Section 2603, Acceptance of fellowships, scholarships, or grants."

Approved July 27, 1962.

## Public Law 87-556

## AN ACT

To amend section 3203(d) of title 38, United States Code, to provide that there shall be no reduction of pension otherwise payable during hospitalization of certain veterans with a wife or child.

July 27, 1962  
[H. R. 8282]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3203 (d) of title 38, United States Code, is amended (1) by inserting immediately after "any veteran" the following: "having neither wife nor child", and (2) by striking out paragraph (2) and inserting in lieu thereof the following:

Veterans.  
Pension while  
hospitalized.  
73 Stat. 435.

"(2) The provisions of paragraph (1) shall also apply to a veteran being furnished such care who has a wife but whose pension is payable under section 521(b) of this title. In such a case, the Administrator may apportion and pay to the wife, upon an affirmative showing of hardship, all or any part of the amounts in excess of \$30 per month which would be payable to the veteran while being furnished such care if pension were payable to him under section 521(c) of this title."

SEC. 2. (a) The amendments made by this Act shall not apply to cases in which pension is payable pursuant to sections 9 (b) and (c) of the Veterans' Pension Act of 1959.

38 USC 521 note.  
Effective date.

(b) The amendments made by this Act shall take effect on the first day of the first calendar month which begins more than thirty days after the date of enactment of this Act.

Approved July 27, 1962.

## Public Law 87-557

## AN ACT

To liberalize the provisions of title 38, United States Code, relating to the assignment of national service life insurance.

July 27, 1962  
[H. R. 10669]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 718 of title 38, United States Code, is amended (1) by inserting "(a)" before the first sentence; (2) by adding "The provisions of this subsection shall not be applicable to insurance maturing on or after the date of enactment of this sentence." at the end of subsection (a); and (3) by adding the following new subsection:

Veterans.  
National service  
life insurance.  
72 Stat. 1153.

"(b) Except as to insurance granted under the provisions of section 722(b) of this title, any person to whom insurance maturing on or after the date of enactment of this sentence is payable may assign all or any portion of his interest in such insurance to a widow, widower, child, father, mother, grandfather, grandmother, brother, or sister of the insured when the designated contingent beneficiary, if any, joins the beneficiary in the assignment. Such joinder shall not be required in any case in which the insurance proceeds are payable in a lump sum."

Approved July 27, 1962.

## Public Law 87-558

## AN ACT

July 27, 1962  
[H. R. 9273]

To repeal obsolete laws relating to military bounty land warrants and to provide for cancellation of recorded warrants.

Military bounty  
land warrants.

43 USC 782-835  
notes.

Purchase author-  
ity.

43 USC 274 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That sections 457, 473, and 2414-2446, inclusive, of the Revised Statutes, as amended, and the Act of December 13, 1894 (28 Stat. 594), are hereby repealed. Repeal of said laws shall not affect the rights of holders of warrants described in section 2 of this Act, until such rights are extinguished in accordance with said section, to have their warrants receivable in payment or part payment for lands under the Act of December 13, 1894, supra, to assign their warrants pursuant to sections 2414 and 2444 of the Revised Statutes, and to secure a new warrant in lieu of a warrant lost or destroyed pursuant to section 2441 of the Revised Statutes.

SEC. 2. The Secretary of the Interior is hereby authorized and directed to purchase at the rate of \$1.25 per acre from the holders thereof and to cancel all valid unsatisfied military bounty land warrants which were issued pursuant to the laws repealed by section 1 of this Act and which are recorded with the Secretary pursuant to, and under the terms and conditions of, the Act of August 5, 1955 (69 Stat. 534), and the regulations issued thereunder. The Secretary will send his offer to purchase by registered mail to the post office address of the holder of record with the Secretary as of the time the offer is made and will require the holder to surrender the warrant as a condition of payment therefor. If the holder of a warrant, within one year from and after receipt of an offer to purchase from the Secretary, shall fail to surrender his warrant and accept payment therefor as provided for in this section, the warrant shall not thereafter be accepted by the Secretary of the Interior for further recordation under the Act of 1955, supra, or as a basis for the acquisition of lands, or for payment under this section: *Provided*, That if within the one year after receipt of an offer to purchase, the warrant is transferred the transferee shall have the remainder of the one-year period or a period of six months, whichever is the longer, within which to surrender his warrant and accept payment.

SEC. 3. Payments under section 2 of this Act shall be made out of any appropriated funds available to the Secretary of the Interior for expenditure by him.

Approved July 27, 1962.

## Public Law 87-559

## AN ACT

July 27, 1962  
[H. R. 10016]

To waive section 142 of title 28, United States Code, with respect to the holding of court at Decatur, Alabama, by the United States District Court for the Northern District of Alabama.

Alabama.  
U. S. District  
Court.  
62 Stat. 898.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the limitations and restrictions contained in section 142 of title 28 of the United States Code shall be waived with respect to the holding of court at Decatur, Alabama, by the United States District Court for the Northern District of Alabama.

Approved July 27, 1962.

## Public Law 87-560

## AN ACT

To waive section 142 of title 28, United States Code, with respect to the United States District Court for the Eastern District of Texas, Marshall Division, holding court at Marshall, Texas.

July 27, 1962  
[H. R. 10389]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the limitations and restrictions contained in section 142 of title 28, United States Code, shall be waived with respect to the holding of court at Marshall, Texas, by the United States District Court for the Eastern District of Texas.

Texas.  
U. S. District  
Court.  
62 Stat. 898.

Approved July 27, 1962.

## Public Law 87-561

## AN ACT

To postpone by three months the date on or before which the Securities and Exchange Commission shall report to the Congress the results of its study and investigation pursuant to section 19(d) of the Securities Exchange Act of 1934, and for other purposes.

July 27, 1962  
[H. R. 11670]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of subsection (d) of section 19 of the Securities Exchange Act of 1934 (15 U.S.C. 78s(d)) is amended by striking out "January 3, 1963" and inserting "April 3, 1963" in lieu thereof. The last sentence of such subsection is amended by striking out "\$750,000" and inserting "\$950,000" in lieu thereof.

SEC.  
Special study  
reporting date,  
postponement.  
48 Stat. 898;  
75 Stat. 465.

Approved July 27, 1962.

## Public Law 87-562

## AN ACT

To create an additional judicial district for the State of Florida, to be known as the Middle District, and for other purposes.

July 30, 1962  
[S. 1824]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 89 of title 28, United States Code, is amended to read as follows:

**"§ 89. Florida**

"Florida is divided into three judicial districts to be known as the Northern, Middle, and Southern Districts of Florida.

Courts.  
Judicial district  
in Fla., addition-  
al.

**"NORTHERN DISTRICT**

"(a) The Northern District comprises the counties of Alachua, Bay, Calhoun, Dixie, Escambia, Franklin, Gadsden, Gilchrist, Gulf, Holmes, Jackson, Jefferson, Lafayette, Leon, Levy, Liberty, Okaloosa, Santa Rosa, Taylor, Wakulla, Walton, and Washington.

"Court for the Northern District shall be held at Gainesville, Marianna, Panama City, Pensacola, and Tallahassee.

“MIDDLE DISTRICT

“(b) The Middle District comprises the counties of Baker, Bradford, Brevard, Charlotte, Citrus, Clay, Columbia, De Soto, Duval, Flagler, Hamilton, Hardee, Hernando, Hillsborough, Lake, Lee, Madison, Manatee, Marion, Nassau, Orange, Osceola, Pasco, Pinellas, Polk, Putnam, Saint Johns, Sarasota, Seminole, Sumter, Suwannee, Union, and Volusia.

“Court for the Middle District shall be held at Fernandina, Fort Myers, Jacksonville, Live Oak, Ocala, Orlando, Saint Petersburg, and Tampa.

“SOUTHERN DISTRICT

“(c) The Southern District comprises the counties of Broward, Collier, Dade, Glades, Hendry, Highlands, Indian River, Martin, Monroe, Okeechobee, Palm Beach, and Saint Lucie.

“Court for the Southern District shall be held at Fort Pierce, Key West, Miami, and West Palm Beach.”

SEC. 2. (a) The district judge appointed September 26, 1950, the district judge appointed August 13, 1955, and the district judge appointed March 8, 1961, all for the Southern District of Florida, shall hereafter be designated as district judges for the Middle District of Florida.

(b) The district judge for the Northern and Southern Districts of Florida shall hereafter be designated as the district judge for the Northern, Middle, and Southern Districts of Florida.

(c) Nothing in this Act shall in any manner affect the tenure of office of the United States Attorney and the United States Marshal for the Northern District of Florida who are in office at the time of the enactment of this Act, and who shall be during the remainder of their present terms of office the United States Attorney and Marshal for such district as constituted by this Act.

(d) Nothing in this Act shall in any manner affect the tenure of office of the United States Attorney and the United States Marshal for the Southern District of Florida who are in office at the time of the enactment of this Act, and who shall be during the remainder of their present terms of office the United States Attorney and Marshal for the Middle District of Florida as constituted by this Act.

(e) The President is authorized to appoint, by and with the advice and consent of the Senate, a United States Attorney and a United States Marshal for the Southern District of Florida.

62 Stat. 895.

SEC. 3. The table contained in section 133 of title 28 of the United States Code is amended to read as follows with respect to the State of Florida:

| Districts                           | Judges |
|-------------------------------------|--------|
| Florida:                            |        |
| Northern.....                       | 1      |
| Middle.....                         | 3      |
| Southern.....                       | 3      |
| Northern, Middle, and Southern..... | 1”.    |

Waiver.

SEC. 4. The limitations and restrictions contained in section 142, title 28, United States Code, shall be waived with respect to the holding of court at Fort Myers, and Saint Petersburg, Florida, by the United States District Court for the Middle District of Florida, and at Fort Pierce, and West Palm Beach, Florida, by the United States District Court for the Southern District of Florida.

Effective date.

SEC. 5. This Act shall become effective ninety days after the date of enactment.

Approved July 30, 1962.



## Public Law 87-563

## AN ACT

Granting the consent of Congress to the Southern Interstate Nuclear Compact, and for related purposes.

July 31, 1962  
[H. R. 10618]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That it is hereby declared to be the national policy to encourage and recognize the performance of functions by the States with respect to the peaceful use of nuclear energy in its several forms. The Federal Government recognizes that many programs in nuclear fields can benefit from cooperation among the States, as well as between the Federal Government and the States. The importance of the interstate compact as one means for promoting such cooperation is hereby declared as part of the intention of Congress, already expressed in part in Public Law 86-373, to facilitate the use of State jurisdiction in and over portions of the development and regulatory nuclear field.

Southern Inter-  
state Nuclear Com-  
pact.  
Consent of Con-  
gress.

73 Stat. 688.  
42 USC 2021.

SEC. 2. The Congress hereby consents to the Southern Interstate Nuclear Compact, which compact is as follows:

“ARTICLE I. POLICY AND PURPOSE

“The party states recognize that the proper employment of nuclear energy, facilities, materials, and products can assist substantially in the industrialization of the South and the development of a balanced economy for the region. They also recognize that optimum benefit from and acquisition of nuclear resources and facilities requires systematic encouragement, guidance, and assistance from the party states on a cooperative basis. It is the policy of the party states to undertake such cooperation on a continuing basis; it is the purpose of this compact to provide the instruments and framework for such a cooperative effort to improve the economy of the South and contribute to the individual and community well-being of the region's people.

“ARTICLE II. THE BOARD

“(a) There is hereby created an agency of the party states to be known as the ‘Southern Interstate Nuclear Board’ (hereinafter called the Board). The Board shall be composed of one member from each party state designated or appointed in accordance with the law of the state which he represents and serving and subject to removal in accordance with such law. Any member of the Board may provide for the discharge of his duties and the performance of his functions thereon (either for the duration of his membership or for any lesser period of time) by a deputy or assistant, if the laws of his state make specific provisions therefor. The federal government may be represented without vote if provision is made by federal law for such representation.

“Southern Inter-  
state Nuclear  
Board.”

Composition,  
powers, etc.

Post, p. 254.

“(b) The Board members of the party states shall each be entitled to one vote on the Board. No action of the Board shall be binding unless taken at a meeting at which a majority of all members representing the party states are present and unless a majority of the total number of votes on the Board are cast in favor thereof.

“(c) The Board shall have a seal.

“(d) The Board shall elect annually, from among its members, a chairman, a vice chairman, and a treasurer. The Board shall appoint an Executive Director who shall serve at its pleasure and who shall also act as Secretary, and who, together with the Treasurer, shall be bonded in such amounts as the Board may require.

"(e) The Executive Director, with the approval of the Board, shall appoint and remove or discharge such personnel as may be necessary for the performance of the Board's functions irrespective of the civil service, personnel or other merit system laws of any of the party states.

"(f) The Board may establish and maintain, independently or in conjunction with any one or more of the party states, a suitable retirement system for its full-time employees. Employees of the Board shall be eligible for social security coverage in respect of old age and survivors insurance provided that the Board takes such steps as may be necessary pursuant to federal law to participate in such program of insurance as a governmental agency or unit. The Board may establish and maintain or participate in such additional programs of employee benefits as may be appropriate.

"(g) The Board may borrow, accept, or contract for the services of personnel from any state or the United States or any subdivision or agency thereof, from any interstate agency, or from any institution, person, firm or corporation.

"(h) The Board may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services (conditional or otherwise) from any state or the United States or any subdivision or agency thereof, or interstate agency, or from any institution, person, firm, or corporation, and may receive, utilize, and dispose of the same.

"(i) The Board may establish and maintain such facilities as may be necessary for the transacting of its business. The Board may acquire, hold, and convey real and personal property and any interest therein.

"(j) The Board shall adopt bylaws, rules, and regulations for the conduct of its business, and shall have the power to amend and rescind these bylaws, rules, and regulations. The Board shall publish its bylaws, rules, and regulations in convenient form and shall file a copy thereof, and shall also file a copy of any amendment thereto, with the appropriate agency or officer in each of the party states.

"(k) The Board annually shall make to the governor of each party state, a report covering the activities of the Board for the preceding year, and embodying such recommendations as may have been adopted by the Board, which report shall be transmitted to the legislature of said state. The Board may issue such additional reports as it may deem desirable.

Reports.

Post, p. 254.

#### "ARTICLE III. FINANCES

"(a) The Board shall submit to the executive head or designated officer or officers of each party state a budget of its estimated expenditures for such period as may be required by the laws of that jurisdiction for presentation to the legislature thereof.

"(b) Each of the Board's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states. One half of the total amount of each budget of estimated expenditures shall be apportioned among the party states in equal shares; one quarter of each such budget shall be apportioned among the party states in accordance with the ratio of their populations to the total population of the entire group of party states based on the last decennial federal census; and one quarter of each such budget shall be apportioned among the party states on the basis of the relative average per capita income of the inhabitants in each of the party states based on the latest computations published by the federal census-taking agency. Subject to appropriation by their respective legislatures, the Board shall be provided with

such funds by each of the party states as are necessary to provide the means of establishing and maintaining facilities, a staff of personnel, and such activities as may be necessary to fulfill the powers and duties imposed upon and entrusted to the Board.

“(c) The Board may meet any of its obligations in whole or in part with funds available to it under Article II (h) of this compact, provided that the Board takes specific action setting aside such funds prior to the incurring of any obligation to be met in whole or in part in this manner. Except where the Board makes use of funds available to it under Article II (h) hereof, the Board shall not incur any obligation prior to the allotment of funds by the party jurisdictions adequate to meet the same.

“(d) Any expenses and any other costs for each member of the Board in attending Board meetings shall be met by the Board.

“(e) The Board shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Board shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Board shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the Board.

“(f) The accounts of the Board shall be open at any reasonable time for inspection.

#### “ARTICLE IV. ADVISORY COMMITTEES

“The Board may establish such advisory and technical committees as it may deem necessary, membership on which to include but not be limited to private citizens, expert and lay personnel, representatives of industry, labor, commerce, agriculture, civic associations, medicine, education, voluntary health agencies, and officials of local, State and Federal Government, and may cooperate with and use the services of any such committees and the organizations which they represent in furthering any of its activities under this compact.

#### “ARTICLE V. POWERS

“The Board shall have power to—

“(a) ascertain and analyze on a continuing basis the position of the South with respect to nuclear and related industries.

“(b) encourage the development and use of nuclear energy, facilities, installations, and products as part of a balanced economy.

“(c) collect, correlate, and disseminate information relating to civilian uses of nuclear energy, materials, and products.

“(d) conduct, or cooperate in conducting, programs of training for State and local personnel engaged in any aspect of—

“(1) Nuclear industry, medicine, or education or the promotion or regulation thereof.

“(2) The formulation or administration of measures designed to promote safety in any matter related to the development, use or disposal of nuclear energy, materials, products, installations, or wastes.

“(e) Organize and conduct, or assist and cooperate in organizing and conducting, demonstrations of nuclear product, material, or equipment use and disposal and of proper techniques or processes for the application of nuclear resources to the civilian economy or general welfare.

"(f) Undertake such non-regulatory functions with respect to non-nuclear sources of radiation as may promote the economic development and general welfare of the region.

"(g) Study industrial, health, safety, and other standards, laws, codes, rules, regulations, and administrative practices in or related to nuclear fields.

"(h) Recommend such changes in, or amendments or additions to the laws, codes, rules, regulations, administrative procedures and practices or ordinances of the party states in any of the fields of its interest and competence as in its judgment may be appropriate. Any such recommendation shall be made through the appropriate state agency with due consideration of the desirability of uniformity but shall also give appropriate weight to any special circumstances which may justify variations to meet local conditions.

"(i) Prepare, publish and distribute (with or without charge) such reports, bulletins, newsletters or other material as it deems appropriate.

"(j) Cooperate with the Atomic Energy Commission or any agency successor thereto, any other officer or agency of the United States, and any other governmental unit or agency or officer thereof, and with any private persons or agencies in any of the fields of its interests.

"(k) Act as licensee of the United States Government or any party state with respect to the conduct of any research activity requiring such license and operate such research facility or undertake any program pursuant thereto.

"(l) Ascertain from time to time such methods, practices, circumstances, and conditions as may bring about the prevention and control of nuclear incidents in the area comprising the party states, to coordinate the nuclear incident prevention and control plans and the work relating thereto of the appropriate agencies of the party states and to facilitate the rendering of aid by the party states to each other in coping with nuclear incidents. The Board may formulate and, in accordance with need from time to time, revise a regional plan or regional plans for coping with nuclear incidents within the territory of the party states as a whole or within any subregion or subregions of the geographic area covered by this compact.

#### "ARTICLE VI. SUPPLEMENTARY AGREEMENTS

"(a) To the extent that the Board has not undertaken an activity or project which would be within its power under the provisions of Article V of this compact, any two or more of the party states (acting by their duly constituted administrative officials) may enter into supplementary agreements for the undertaking and continuance of such an activity or project. Any such agreement shall specify its purpose or purposes; its duration and the procedure for termination thereof or withdrawal therefrom; the method of financing and allocating the costs of the activity or project; and such other matters as may be necessary or appropriate. No such supplementary agreement entered into pursuant to this article shall become effective prior to its submission to and approval by the Board. The Board shall give such approval unless it finds that the supplementary agreement or the activity or project contemplated thereby is inconsistent with the provisions of this compact or a program or activity conducted by or participated in by the Board.

"(b) Unless all of the party states participate in a supplementary agreement, any cost or costs thereof shall be borne separately by the states party thereto. However, the Board may administer or otherwise assist in the operation of any supplementary agreement.

"(c) No party to a supplementary agreement entered into pursuant to this article shall be relieved thereby of any obligation or duty assumed by said party state under or pursuant to this compact, except that timely and proper performance of such obligation or duty by means of the supplementary agreement may be offered as performance pursuant to the compact.

#### "ARTICLE VII. OTHER LAWS AND RELATIONS

"Nothing in this compact shall be construed to—

"(a) Permit or require any person or other entity to avoid or refuse compliance with any law, rule, regulation, order or ordinance of a party state or subdivision thereof now or hereafter made, enacted or in force.

"(b) Limit, diminish, or otherwise impair jurisdiction exercised by the Atomic Energy Commission, any agency successor thereto, or any other federal department, agency or officer pursuant to and in conformity with any valid and operative act of Congress.

"(c) Alter the relations between and respective internal responsibilities of the government of a party state and its subdivisions.

"(d) Permit or authorize the Board to exercise any regulatory authority or to own or operate any nuclear reactor for the generation of electric energy; nor shall the Board own or operate any facility or installation for industrial or commercial purposes.

#### "ARTICLE VIII. ELIGIBLE PARTIES, ENTRY INTO FORCE AND WITHDRAWAL

"(a) Any or all of the states of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia shall be eligible to become party to this compact.

"(b) As to any eligible party state, this compact shall become effective when its legislature shall have enacted the same into law: provided that it shall not become initially effective until enacted into law by seven states.

"(c) Any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall become effective until the governor of the withdrawing state shall have sent formal notice in writing to the governor of each other party state informing said governors of the action of the legislature in repealing the compact and declaring an intention to withdraw.

#### "ARTICLE IX. SEVERABILITY AND CONSTRUCTION

"The provisions of this compact and of any supplementary agreement entered into hereunder shall be severable and if any phrase, clause, sentence or provision of this compact or such supplementary agreement is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact or such supplementary agreement and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact or any supplementary agreement entered into hereunder shall be held

contrary to the constitution of any state participating therein, the compact or such supplementary agreement shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of this compact and of any supplementary agreement entered into pursuant hereto shall be liberally construed to effectuate the purposes thereof."

Representative  
of Federal Govern-  
ment on Board.

SEC. 3. Pursuant to article II(a) of the Southern Interstate Nuclear Compact, there shall be one representative of the Federal Government on the Southern Interstate Nuclear Board. The representative shall be appointed by the President and he shall report to the President either directly or through such agency or official as the President may specify. His compensation shall be in such amount not in excess of \$100 per diem, as the President shall specify, but the total amount of compensation payable in any one calendar year shall not exceed \$15,000: *Provided*, That if the representative be an employee of the United States, he shall serve without additional compensation. The compensation, travel expenses, office space, stenographic, and administrative services of the representative shall be paid from any available appropriations selected by the head of such agency or agencies as may be designated by the President to provide such expenses.

Agency cooper-  
ation.

SEC. 4. The Atomic Energy Commission; the National Aeronautics and Space Administration; the Secretary of Health, Education, and Welfare; the Secretary of Commerce; the Secretary of Labor; the Secretary of Agriculture; and the heads of other departments and agencies of the Federal Government are authorized, within available appropriations and pursuant to law, to cooperate with the Southern Interstate Nuclear Board.

Reports, copies  
to President and  
Congress.

SEC. 5. Copies of the annual reports made by the Southern Interstate Nuclear Board pursuant to article II(k) of the Southern Interstate Nuclear Compact shall be transmitted to the President and to the Joint Committee on Atomic Energy of the Congress.

Consent, exten-  
sion.

SEC. 6. The consent to the Southern Nuclear Compact given by this Act shall extend to any and all supplementary agreements entered into pursuant to article VI of such Compact: *Provided*, That any such supplementary agreement is only for the exercise of one or more of the powers conferred upon the Southern Interstate Nuclear Board by article V of such compact.

SEC. 7. The right to alter, amend, or repeal this Act is expressly reserved.

SEC. 8. The right is hereby reserved to the Congress or any of its standing committees to require the disclosure and furnishing of such information or data by the Southern Interstate Nuclear Board as is deemed appropriate by the Congress or any such Committee.

Approved July 31, 1962.

## Public Law 87-564

### JOINT RESOLUTION

July 31, 1962  
[H. J. Res. 839]

Making continuing appropriations for the fiscal year 1963, and for other purposes.

Ante, p. 126.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That clause (c) of section 102 of the joint resolution of July 1, 1962 (Public Law 87-513), is hereby amended by striking out "July 31, 1962" and inserting in lieu thereof "August 31, 1962".

Approved July 31, 1962.

## Public Law 87-565

## AN ACT

August 1, 1962  
[S. 2996]

To amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Foreign Assistance Act of 1962".

Foreign Assist-  
ance Act of 1962.

PART I—ACT FOR INTERNATIONAL DEVELOPMENT  
OF 1961

## CHAPTER 1—SHORT TITLE AND POLICY

SEC. 101. (a) The fifth paragraph of section 102 of the Foreign Assistance Act of 1961, as amended, containing a statement of policy, is amended by inserting in the fifth paragraph, immediately after "religion," the following: "The Congress further declares that any distinction made by foreign nations between American citizens because of race, color, or religion in the granting of, or the exercise of, personal or other rights available to American citizens is repugnant to our principles."

75 Stat. 424.  
22 USC 2151.

(b) Such section is further amended by inserting after the seventh paragraph the following:

"It is the sense of Congress that in the administration of these funds great attention and consideration should be given to those countries which share the view of the United States on the world crisis and which do not, as a result of United States assistance, divert their own economic resources to military or propaganda efforts, supported by the Soviet Union or Communist China, and directed against the United States or against other countries receiving aid under this Act.

"The Congress further declares that in the administration of programs of assistance under this Act, the highest practicable emphasis should be given to: programs providing for loans or loan guarantees for use by institutions and organizations in making repayable low-interest rate loans to individuals in friendly foreign countries for the purchase of small farms, the purchase of homes, the establishment, equipment and strengthening of small independent business concerns, purchase of tools or equipment needed by individuals for carrying on an occupation or a trade, or financing the opportunity for individuals to obtain practical education in vocational and occupational skills, and to those programs of technical assistance and development which will assist in carrying out and in preparing a favorable environment for such programs. While recognizing that special requirements, differing development needs and political conditions in various assisted countries will affect the priority of such programs and of each country's relative ability to implement them, it is further the sense of Congress that each such assisted country should be encouraged to give adequate recognition to such needs of the people in the preparation of national development programs."

(c) Such section is further amended by inserting at the end of the last paragraph the following new sentence: "It is the sense of Congress that, where feasible, the United States Government invite friendly nations to join in missions to consult with countries which are recipients of assistance under this part on the possibilities for joint action to assure the effective development of plans for the economic development of such recipient countries and the effective use of assistance

provided them; and that the President may request the assistance of international financial institutions in bringing about the establishment of such missions."

## CHAPTER 2—DEVELOPMENT ASSISTANCE

### TITLE I—DEVELOPMENT LOAN FUND

SEC. 102. Section 201 of the Foreign Assistance Act of 1961, as amended, which relates to general authority with respect to development loans, is amended by adding at the end thereof the following:

"(e) In carrying out this title, the President shall not allocate, reserve, earmark, commit, or otherwise set aside, funds aggregating in excess of \$100,000 for use in any country under this title unless (1) an application for such funds has been received for use in such country together with sufficient information and assurances to indicate reasonably that the funds will be used in an economically and technically sound manner, or (2) the President determines with respect to each such allocation, reservation, earmarking, commitment, or set-aside that it is in the national interest to use such funds pursuant to multilateral plans."

### TITLE II—DEVELOPMENT GRANTS AND TECHNICAL COOPERATION

SEC. 103. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to development grants and technical cooperation, is amended as follows:

(a) In section 211, which relates to general authority, add a new subsection (c) as follows:

"(c) Not to exceed \$1,000,000 of the funds made available for the purposes of this section in any fiscal year may be used for programs designed to promote the peaceful uses of atomic energy outside the United States and such programs may be carried out only in accordance with the requirements of this section."

(b) In section 212, which relates to authorization, strike out "1962" and "\$380,000,000" and substitute "1963" and "\$300,000,000", respectively.

(c) Strike out section 213, which relates to atoms for peace.

### TITLE III—INVESTMENT GUARANTIES

SEC. 104. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is amended as follows:

(a) Amend section 221(b) which relates to general authority, as follows:

(1) In paragraph (1) strike out "\$1,000,000,000" in the proviso and substitute "\$1,300,000,000".

(2) In paragraph (2) strike out the words preceding the first proviso and insert in lieu thereof the following: "where the President determines such action to be important to the furtherance of the purposes of this title, assuring against loss of any loan investment for housing projects with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States, or assuring against loss of not to exceed 75 per centum of any other investment due to such risks as the President may determine, upon such terms and conditions as the President may determine".

(3) In paragraph (2) strike out "\$90,000,000" in the third proviso and substitute "\$180,000,000", and after the word "guaranty"

75 Stat. 426.  
22 USC 2161.

75 Stat. 427.  
22 USC 2171-  
2176.  
22 USC 2171.

22 USC 2181-  
2184.

22 USC 2181.



insert the following: "in the case of a loan shall exceed \$25,000,000 and no other such guaranty".

(b) Amend section 222, which relates to general provisions, as follows: 22 USC 2182.

(1) In subsection (d) insert "and out of funds made available pursuant to this title" before the period.

(2) Add the following new subsection (f):

"(f) There is hereby authorized to be appropriated to the President such amounts, to remain available until expended, as may be necessary from time to time to carry out the purposes of this title."

(c) Amend section 224, which relates to housing projects in Latin American countries, as follows: 22 USC 2184.

(1) In subsection (b) strike out "\$10,000,000" in the second sentence and substitute "\$60,000,000".

(2) In subsection (c) strike out "and (e)" and substitute "(e), and (f)".

#### TITLE IV—SURVEYS OF INVESTMENT OPPORTUNITIES

SEC. 105. Section 232 of the Foreign Assistance Act of 1961, as amended, which relates to surveys of investment opportunities, is amended by striking out "1962" and "\$5,000,000" and substituting "1963" and "\$2,000,000", respectively. 75 Stat. 432.  
22 USC 2192.

#### ALLIANCE FOR PROGRESS

SEC. 106. Chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to development assistance, is amended by adding at the end a new title VI, as follows: 22 USC 2161-2165.

#### "TITLE VI—ALLIANCE FOR PROGRESS

"SEC. 251. GENERAL AUTHORITY.—(a) It is the sense of the Congress that the historic, economic, political, and geographic relationships among the American peoples and Republics are unique and of special significance and that the Alliance for Progress offers great hope for the advancement of the welfare of the peoples of the Americas and the strengthening of the relationships among them. It is further the sense of Congress that vigorous measures by the countries and areas of Latin America to mobilize their own resources for economic development and to adopt reform measures to spread the benefits of economic progress among the people are essential to the success of the Alliance for Progress and to continued significant United States assistance thereunder. The President is authorized to furnish assistance on such terms and conditions as he may determine in order to promote the economic development of countries and areas in Latin America.

"(b) Assistance furnished under this title shall be directed toward the development of human as well as economic resources. In furnishing assistance under this title, the President shall take into account (1) the principles of the Act of Bogotá and the Charter of Punta del Este, and in particular the extent to which the recipient country or area is showing a responsiveness to the vital economic, political, and social concerns of its people and demonstrating a clear determination to take effective self-help measures; (2) the economic and technical soundness of the activity to be financed; (3) the consistency of the activity with, and its relationship to, other development activities being undertaken or planned, and its contribution to realizable long-range objectives; and (4) the possible effects upon the United States economy, with special reference to areas of substantial labor surplus, of the assistance involved. In making loans under this title from

funds which are required to be used for loans payable as to principal and interest in United States dollars, the President shall take into account, in addition to the considerations named in the preceding sentence, whether financing could be obtained in whole or in part from other free world sources on reasonable terms and the efforts made by recipient nations to repatriate capital invested in other countries by their own citizens. The provisions of sections 201(d), 202(b), 202(c), and 204 shall be applicable to such loans, and they shall be made only upon a finding of reasonable prospects of repayment.

22 USC 2161,  
2162, 2164.

75 Stat. 444.  
22 USC 2364.

“(c) The authority of section 614(a) may not be used to waive the requirements of this title with respect to funds made available for this title which are required to be used for loans payable as to principal and interest in United States dollars, and the authority of section 610 may be used to transfer such funds only to funds made available for title I of chapter 2 of part I.

22 USC 2360.  
22 USC 2161-  
2165.

“(d) In order to carry out the policies of this Act and the purpose of this title, the President shall, when requested by a friendly country and when appropriate, assist in fostering measures of agrarian reform, including colonization and redistribution of land, with a view to insuring a wider and more equitable distribution of the ownership of land.

“(e) The President shall not allocate, reserve, earmark, commit, or otherwise set aside, funds aggregating in excess of \$100,000 for use in any country under this title unless (1) an application for such funds has been received for use in such country together with sufficient information and assurances to indicate reasonably that the funds will be used in an economical and technically sound manner, or (2) the President determines with respect to each such allocation, reservation, earmarking, commitment, or set-aside that it is in the national interest to use such funds pursuant to multilateral plans.

22 USC 2351.

“(f) In furnishing assistance under this title, consistently with and for the purposes of section 601(b)(4) of this Act, the Agency for International Development or any other departments and agencies designated by the President shall provide such assistance as may be determined by the President to be necessary from time to time in order to make effective the efforts of the Commerce Committee for the Alliance for Progress, established under the Department of Commerce.

Appropriation.

“SEC. 252. AUTHORIZATION.—There is hereby authorized to be appropriated to the President for the purposes of this title, in addition to other funds available for such purposes, for use beginning in each of the fiscal years 1963 through 1966, not to exceed \$800,000,000 for each such fiscal year which sums are authorized to remain available until expended and which, except for not to exceed \$100,000,000 of the funds appropriated pursuant to this section for use beginning in fiscal year 1963, shall be available only for loans payable as to principal and interest in United States dollars. In presenting requests to the Congress for authorizations for appropriations for fiscal years 1964 through 1966 to carry out other programs under this Act, the President shall also present the program proposed to be carried out from funds appropriated pursuant to the authorization contained in this section for the respective fiscal year.

“SEC. 253. FISCAL PROVISIONS.—All receipts in United States dollars from loans made under this title and from loans made for the benefit of countries and areas of Latin America under title I of chapter 2 of part I of this Act, notwithstanding section 203, shall be available for use for loans payable as to principal and interest in United States dollars in furtherance of the purposes of this title. Such receipts and other funds made available under this title for use for the purposes of this title shall remain available until expended.”

22 USC 2161-  
2165.

## CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 107. Section 302 of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended by striking out “1962” and “\$153,500,000” and substituting “1963” and “\$148,900,000”, respectively.

75 Stat. 433.  
22 USC 2222.

## CHAPTER 4—SUPPORTING ASSISTANCE

SEC. 108. Section 402 of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended by striking out “1962” and “\$465,000,000” and substituting “1963” and “\$415,000,000”, respectively.

22 USC 2242.

## CHAPTER 5—CONTINGENCY FUND

SEC. 109. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended as follows:

22 USC 2261.

(a) Amend subsection (a) by striking out “1962” and substituting “1963”.

(b) Amend subsection (b) by striking out “keep” and substituting “provide quarterly reports to” and by striking out “currently informed of the use” and substituting “on the programing and the obligation”.

Reports to Congress.

## CHAPTER 6—ASSISTANCE TO AGRARIAN ECONOMIES

SEC. 110. Section 461 of the Foreign Assistance Act of 1961, as amended, which relates to assistance to countries having agrarian economies, is amended by adding at the end thereof the following: “In such country emphasis shall be placed also upon programs of community development which will promote stable and responsible governmental institutions at the local level.”

22 USC 2271.

## PART II—INTERNATIONAL PEACE AND SECURITY ACT OF 1961

## CHAPTER 1—MILITARY ASSISTANCE

SEC. 201. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

22 USC 2311-2319.

(a) In section 506, which relates to conditions of eligibility, add the following new subsections:

22 USC 2314.

“(c) The President shall regularly reduce and, with such deliberate speed as orderly procedure and other relevant considerations, including prior commitments, will permit, shall terminate all further grants of military equipment and supplies to any country having sufficient wealth to enable it, in the judgment of the President, to maintain and equip its own military forces at adequate strength, without undue burden to its economy.

“(d) Any country which hereafter uses defense articles or defense services furnished such country under this Act, the Mutual Security Act of 1954, as amended, or any predecessor foreign assistance Act, in substantial violation of the provisions of this chapter or any agreements entered into pursuant to any of such Acts shall be immediately ineligible for further assistance.”

68 Stat. 832.  
22 USC 1751  
note.

(b) In section 507(a), which relates to sales, insert “not less than” before “the value” in the first sentence.

22 USC 2315.

(c) In section 507(b), add a new sentence to read as follows: “No sales of unclassified defense articles shall be made to the government

of any economically developed nation under the provisions of this subsection unless such articles are not generally available for purchase by such nations from commercial sources in the United States: *Provided, however*, That the Secretary of Defense may waive the provisions of this sentence when he determines that the waiver of such provisions is in the national interest."

22 USC 2318. (d) In section 510(a), which relates to special authority, strike out "1962" in the first and second sentences and substitute "1963".

### PART III

#### CHAPTER 1—GENERAL PROVISIONS

SEC. 301. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, which relates to general provisions, is amended as follows:

(a) In section 610, which relates to transfers between accounts, designate the present language as subsection (a) and add the following new subsection:

"(b) The authority contained in this section and in sections 451, 510, and 614 shall not be used to augment appropriations made available pursuant to sections 636(g)(1) and 637 or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses."

(b) In section 611(a), which relates to completion of plans and cost estimates, strike out "and II" and substitute "II, and VI".

(c) Strike out section 618, which relates to economic assistance to Latin America, and substitute a new section 618 as follows:

"SEC. 618. USE OF SETTLEMENT RECEIPTS.—United States dollars directly paid to the United States under the Agreement Between the United States of America and Japan Regarding the Settlement of Postwar Economic Assistance to Japan may be appropriated or otherwise made available to the President in any appropriation Act, within the limitations of part I of this Act, to carry out the provisions of that part."

(d) Amend section 620, which relates to restrictions on assistance to certain countries, as follows:

(1) Amend the first sentence of subsection (a) to read as follows: "No assistance shall be furnished under this Act to the present government of Cuba; nor shall any such assistance be furnished to any country which furnishes assistance to the present government of Cuba unless the President determines that such assistance is in the national interest of the United States."

(2) Amend subsection (c) to read as follows:

"(c) No assistance shall be provided under this Act to the government of any country which is indebted to any United States citizen or person for goods or services furnished or ordered where (i) such citizen or person has exhausted available legal remedies, which shall include arbitration, or (ii) the debt is not denied or contested by such government, or (iii) such indebtedness arises under an unconditional guaranty of payment given by such government, or any predecessor government, directly or indirectly, through any controlled entity: *Provided*, That the President does not find such action contrary to the national security."

(3) Add the following new subsections:

"(e) The President shall suspend assistance to the government of any country to which assistance is provided under this Act when the government of such country or any governmental agency or subdivision within such country on or after January 1, 1962—

75 Stat. 438.  
22 USC 2351-  
2370.  
22 USC 2360.

22 USC 2261,  
2318, 2364.  
22 USC 2396,  
2397.

22 USC 2361.

22 USC 2368.

22 USC 2351-  
2370.

22 USC 2370.

Cuba.

“(1) has nationalized or expropriated or seized ownership or control of property owned by any United States citizen or by any corporation, partnership, or association not less than 50 per centum beneficially owned by United States citizens, or

“(2) has imposed or enforced discriminatory taxes or other exactions, or restrictive maintenance or operational conditions, which have the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property so owned,

and such country, government agency or government subdivision fails within a reasonable time (not more than six months after such action or after the date of enactment of this subsection, whichever is later) to take appropriate steps, which may include arbitration, to discharge its obligations under international law toward such citizen or entity, including equitable and speedy compensation for such property in convertible foreign exchange, as required by international law, or fails to take steps designed to provide relief from such taxes, exactions, or conditions, as the case may be, and such suspension shall continue until he is satisfied that appropriate steps are being taken and no other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection.

“(f) No assistance shall be furnished under this Act, as amended, (except section 214(b)) to any Communist country. This restriction may not be waived pursuant to any authority contained in this Act unless the President finds and promptly reports to Congress that: (1) such assistance is vital to the security of the United States; (2) the recipient country is not controlled by the international Communist conspiracy; and (3) such assistance will further promote the independence of the recipient country from international communism. For the purposes of this subsection, the phrase ‘Communist country’ shall include specifically, but not be limited to, the following countries:

22 USC 2174.

“Communist country.”

“Peoples Republic of Albania,  
“Peoples Republic of Bulgaria,  
“Peoples Republic of China,  
“Czechoslovak Socialist Republic,  
“German Democratic Republic (East Germany),  
“Estonia,  
“Hungarian Peoples Republic,  
“Latvia,  
“Lithuania,  
“North Korean Peoples Republic,  
“North Vietnam,  
“Outer Mongolia-Mongolian Peoples Republic,  
“Polish Peoples Republic,  
“Rumanian Peoples Republic,  
“Tibet,  
“Federal Peoples Republic of Yugoslavia,  
“Cuba, and  
“Union of Soviet Socialist Republics.

“(g) Notwithstanding any other provision of law, no monetary assistance shall be made available under this Act to any government or political subdivision or agency of such government which will be used to compensate owners for expropriated or nationalized property and, upon finding by the President that such assistance has been used by any government for such purpose, no further assistance under this Act shall be furnished to such government until appropriate reimbursement is made to the United States for sums so diverted.

“(h) The President shall adopt regulations and establish procedures to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries.”

Regulations and procedures.

## CHAPTER 2—ADMINISTRATIVE PROVISIONS

SEC. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended, which relates to administrative provisions, is amended as follows:

75 Stat. 445.  
22 USC 2381-  
2397.  
22 USC 2381.

(a) In section 621, which relates to exercise of functions, delete "(a)" and strike out subsections (b), (c), (d), and (e).

74 Stat. 869.  
22 USC 1942.

(b) Amend section 624, which relates to statutory officers, by striking out subsection (d) and redesignating subsection (e) as subsection "(d)", inserting in paragraph 2(A) of redesignated subsection (d) ", and programs being conducted by United States Government agencies under Public Law 86-735," after "Peace Corps", and inserting in paragraphs (5) and (7) of redesignated subsection (d) ", and Public Law 86-735" after "part II of this Act".

22 USC 2385.

(c) Amend section 625, which relates to employment of personnel, as follows:

(1) In subsection (b) strike out "seventy-six" in the first sentence and substitute "one hundred and ten".

(2) In subsection (d) add the following proviso before the period at the end of paragraph (2): ": *Provided further, That,* whenever the President determines it to be important for the purposes of this Act, the President may initially assign personnel under this paragraph for duty within the United States for a period not to exceed two years for the purpose of preparation for assignment outside the United States; however, the authority contained in this proviso may not be exercised with respect to more than thirty persons in the aggregate."

(3) Amend subsection (f) to read as follows:

"(f) Funds provided for in agreements with foreign countries for the furnishing of services under this Act with respect to specific projects shall be deemed to be obligated for the services of personnel employed by agencies of the United States Government (other than the agencies primarily responsible for administering part I or part II of this Act) as well as personnel not employed by the United States Government."

22 USC 2151-  
2319.

22 USC 2389.

(d) In section 629(b), which relates to status of personnel detailed, strike out "624(e)" in the first sentence and substitute "624(d)".

22 USC 2394.

(e) In section 634(a), which relates to reports and information, insert the following before the period at the end of the second sentence: "and on progress under the freedom of navigation and nondiscrimination declaration contained in section 102".

(f) (1) In section 634(d), which relates to reports and information, strike out "In January of each year" and "preceding twelve months" in the first sentence and substitute "At the end of each fiscal year" and "fiscal year", respectively.

(2) After the first sentence of such section 634(d) insert the following: "There shall also be included in the presentation material submitted to the Congress during its consideration of amendments to this Act, or of any Act appropriating funds pursuant to authorizations contained in this Act, a comparison of the current fiscal year programs and activities with those presented to the Congress in the previous year and an explanation of any substantial changes."

22 USC 2395.

(g) In section 635(h), which relates to general authorities, strike out "and V" and substitute ", V, and VI" and strike out "made".

22 USC 2397.

(h) Amend section 637, which relates to administrative expenses, as follows:

(1) In subsection (a) strike out "1962" and "\$50,000,000" and substitute "1963" and "\$53,000,000", respectively.

(2) In subsection (b) strike out "to the Secretary of State".

## CHAPTER 3—MISCELLANEOUS PROVISIONS

SEC. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended as follows:

22 USC 2401-2406.

(a) Section 643, which relates to saving provisions, is amended by striking out subsection (d).

22 USC 2402.

(b) Section 644 (m), which relates to definitions, is amended by striking out "as grant assistance" in subparagraphs (2) and (3).

(c) Section 645, which relates to unexpended balances is amended by inserting "this Act or" after "pursuant to".

## PART IV—AMENDMENTS TO OTHER LAWS

SEC. 401. Part IV of the Foreign Assistance Act of 1961, as amended, is repealed, which repeal shall not be deemed to affect amendments contained in such part.

Repeal.  
75 Stat. 463.

SEC. 402. Section 2 of the Act of August 1, 1956 (70 Stat. 890), as amended, is further amended by adding after paragraph (a) the following new paragraph:

5 USC 170g.

"(b) for the purpose of promoting and maintaining friendly relations with foreign countries through the prompt settlement of certain claims, settle and pay any meritorious claim against the United States which is presented by a government of a foreign country for damage to or loss of real or personal property of, or personal injury to or death of, any national of such foreign country: *Provided*, That such claim is not cognizable under any other statute or international agreement of the United States and can be settled for not more than \$15,000 or the foreign currency equivalent thereof."

SEC. 403. Section 102(a) (3) of the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256, approved September 21, 1961) is hereby amended by inserting the word "abroad" after the word "expositions". The amendment made by this section shall not be applicable with respect to any fair or exposition within the United States for which an appropriation has been provided.

75 Stat. 528.  
22 USC 2452.

SEC. 404. The first section of the Act authorizing participation in the Interparliamentary Union (22 U.S.C. 276) is amended to read as follows:

49 Stat. 425.

"An appropriation of \$48,000 annually is authorized, \$21,000 of which shall be for the annual contributions of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration; and \$27,000, or so much thereof as may be necessary, to assist in meeting the expenses of the American group of the Interparliamentary Union for each fiscal year for which an appropriation is made, such appropriation to be disbursed on vouchers to be approved by the President and the executive secretary of the American group."

Approved August 1, 1962, 10:35 a. m.

## Public Law 87-566

August 2, 1962  
[H. R. 6374]

## AN ACT

To clarify the application of the Government Employees Training Act with respect to payment of expenses of attendance of Government employees at certain meetings, and for other purposes.

Government em-  
ployees.  
Expenses for  
certain meetings.  
72 Stat. 329.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 4 of the Government Employees Training Act, as amended (5 U.S.C. 2303(a)), is amended to read as follows:

"(a) (1) This Act shall not apply to—

"(A) the President or Vice President of the United States,

"(B) any corporation under the supervision of the Farm Credit Administration of which corporation any member of the board of directors is elected or appointed by private interests,

"(C) the Tennessee Valley Authority, and

"(D) any individual (except an officer of the Coast and Geodetic Survey in the Department of Commerce) who is a member of the uniformed services as defined in section 102(a) of the Career Compensation Act of 1949, as amended, during any period in which he is receiving compensation under title II of such Act.

"(2) Except for the purposes of subsections (a), (b), and (c) of section 19 of this Act, this Act shall not apply to—

"(A) the Foreign Service of the United States under the Department of State, and

"(B) any individual appointed by the President by and with the advice and consent of the Senate (other than a postmaster) or by the President alone, unless such individual is specifically designated by the President for training under this Act."

Approved August 2, 1962.

63 Stat. 804.  
37 USC 231, 232.

72 Stat. 336.  
5 USC 2318.

## Public Law 87-567

August 2, 1962  
[H. R. 9520]

## AN ACT

To continue for two years the suspension of duty on certain alumina and bauxite.

Alumina and  
bauxite.

74 Stat. 81.  
19 USC 1001,  
par. 6 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled "An Act to continue the temporary suspension of duty on certain alumina and bauxite", approved May 16, 1958 (Public Law 85-415; 72 Stat. 119), as amended, is amended by striking out "before July 16, 1962" and inserting in lieu thereof "before July 16, 1964".

Approved August 2, 1962.

## Public Law 87-568

August 6, 1962  
[H. J. Res. 417]

## JOINT RESOLUTION

To designate the lake formed by Terminus Dam on the Kaweah River in California as Lake Kaweah.

California.  
Lake Kaweah,  
designation.  
58 Stat. 901.  
33 USC 701-1 et  
seq.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the reservoir formed by Terminus Dam across the Kaweah River in California, authorized by the Flood Control Act of 1944, is hereby designated as Lake Kaweah. Any law, regulation, map, document, record, or other paper of the United States in which such reservoir is referred to shall be held to refer to such reservoir by the name of Lake Kaweah.

Approved August 6, 1962.



## Public Law 87-569

## AN ACT

August 6, 1962

To provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes.

[H. R. 6967]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act shall be known and may be cited as the "District of Columbia Nonprofit Corporation Act".

District of Columbia Nonprofit Corporation Act.

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## DEFINITIONS

SEC. 2. As used in this Act, unless the context otherwise requires the term—

(a) "Corporation" or "domestic corporation" means a corporation not for profit subject to the provisions of this Act, except a foreign corporation.

(b) "Foreign corporation" means a corporation not for profit organized under laws other than the laws of the District of Columbia, for a purpose or purposes for which a corporation might be organized under this Act, but shall not include a corporation created by a special Act of Congress.

(c) "Not for profit corporation" means a corporation no part of the income of which is distributable to its members, directors, or officers; except nothing in this Act shall be construed as prohibiting the payment of reasonable compensation for services rendered and the making of distribution upon dissolution or final liquidation as permitted in this Act.

(d) "Articles of incorporation" means the original articles of incorporation and all amendments thereto, including articles of merger or consolidation, and in the case of a corporation created by a special Act of Congress, means such special Act and any amendments thereto made by special Act of Congress, or pursuant to general law.

(e) "Bylaws" means the code or codes of rules adopted for the regulation or management of the affairs of a corporation irrespective of the name or names by which such rules are designated.

(f) "Member" means one having membership rights in a corporation in accordance with the provisions of its articles of incorporation or bylaws.

(g) "Board of directors" means the group of persons vested with the management of the affairs of a corporation irrespective of the name by which such group is designated.

(h) "Insolvent" means that a corporation is unable to pay its debts as they become due in the usual course of its affairs.

(i) "Commissioners" means the Commissioners of the District of Columbia or the agent or agents designated by them to perform any function vested in the Commissioners by this Act.

(j) "District" means the District of Columbia.

(k) "The court", except where otherwise specified, means the United States District Court for the District of Columbia.

#### APPLICABILITY

SEC. 3. (a) The provisions of this Act relating to domestic corporations shall apply to all corporations organized hereunder or which elect to accept the provisions of this Act.

(b) The provisions of this Act relating to foreign corporations shall apply to all foreign not for profit corporations conducting affairs in the District of Columbia for a purpose or purposes for which a corporation might be organized under this Act.

(c) No corporation eligible to be formed under this Act shall be incorporated under any other Act or statute now in force in the District of Columbia except that those organizations eligible to be formed under the Acts or parts of Acts referred to in section 49-303, District of Columbia Code (1951 edition), may be formed under those Acts or parts of Acts.

32 Stat. 546.

#### PURPOSES

SEC. 4. Corporations may be organized under this Act for any lawful purpose or purposes including, but not limited to, one or more of the following or similar purposes: benevolent; charitable; religious; missionary; educational; scientific; research; literary; musical; social; athletic; patriotic; political; civic; professional, commercial, industrial, business, or trade association; mutual improvement; promotion of the arts; except that cooperative organizations or organizations subject to any of the provisions of the insurance laws of the District may not be organized under this Act.

#### GENERAL POWERS

SEC. 5. Each corporation shall have power—

(a) to have perpetual succession by its corporate name unless a limited period of duration is stated in its articles of incorporation;

(b) to sue and be sued, complain and defend, in its corporate name;

(c) to have a corporate seal which may be altered at pleasure and to use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced;

(d) to purchase, take, receive, lease, take by gift, devise or bequest, or otherwise acquire, own, hold, improve, use, and otherwise deal in and with, real or personal property, or any interest therein, wherever situated;

(e) to sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets;

(f) to lend money to and otherwise assist its employees other than its officers and directors;

(g) to purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, loan, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, whether for profit or not for profit, associations, partnerships, or individuals, or direct or indirect obligations of the United States, or of any other government, State, territory, governmental district, or municipality or of any instrumentality thereof;

(h) to make contracts and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income;

(i) to lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;

(j) to conduct its affairs, carry on its operations, hold property, and have offices and exercise the powers granted by this Act in any part of the world;

(k) to elect or appoint officers and agents of the corporation, and define their duties and fix their compensation;

(l) to make and alter bylaws, not inconsistent with its articles of incorporation or with the laws of the District of Columbia, for the administration and regulation of the affairs of the corporation;

(m) unless otherwise provided in the articles of incorporation, to make donations for the public welfare or for religious, charitable, scientific research, or educational purposes, or for other purposes for which the corporation is organized;

(n) to indemnify any director or officer or former director or officer of the corporation, or any person who may have served at its request as a director or officer of another corporation, whether for profit or not for profit, against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such director or officer, except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. Such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under any bylaw, agreement, vote of board of directors or members, or otherwise;

(o) to cease its corporate activities and surrender its corporate franchise;

(p) to have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized.

## DEFENSE OF ULTRA VIRES

SEC. 6. No act of a corporation and no conveyance or transfer of real or personal property to or by a corporation shall be invalid by reason of the fact that the corporation was without capacity or power to do such act or to make or receive such conveyance or transfer, but such lack of capacity or power may be asserted:

(a) In a proceeding by a member or a director against the corporation to enjoin the doing of any act, or the transfer of real or personal property by or to the corporation. If the act or transfer sought to be enjoined is being, or is to be, performed pursuant to any contract to which the corporation is a party, the court may, if all of the parties to the contract are parties to the proceeding and if it deems the same to be equitable, set aside and enjoin the performance of such contract, and in so doing may allow to the corporation or the other parties to the contract, as the case may be, compensation for the loss or damage sustained by either of them which may result from the action of the court in setting aside and enjoining the performance of such contract, but anticipated profits to be derived from the performance of the contract shall not be awarded by the court as a loss or damage sustained.

(b) In a proceeding by the corporation, whether acting directly or through a receiver, trustee, or other legal representative, or through members in a representative suit, against the incumbent or former officers or trustees of the corporation.

(c) In a proceeding by the Commissioners, as provided in this Act, to dissolve the corporation, or in a proceeding by the Commissioners to enjoin the corporation from the transaction of unauthorized acts.

## CORPORATE NAME

SEC. 7. The corporate name—

(a) shall not contain any word or phrase which indicates or implies that it is organized for any purpose other than one or more of the purposes contained in its articles of incorporation;

(b) shall not be the same as, or deceptively similar to, the name of any domestic corporation, whether for profit or not for profit organized under any Act of Congress authorizing the formation of corporations under the laws of the District of Columbia, or that of any corporation created pursuant to any special Act of Congress to transact business or conduct affairs in the District, or that of any foreign corporation whether for profit or not for profit authorized to transact business or conduct affairs in the District, or a name the exclusive right to which is at the time reserved in the manner provided in this Act or in accordance with the provisions of the District of Columbia Business Corporation Act;

(c) shall be transliterated into letters of the English alphabet, if it is not in English;

(d) shall not indicate, nor shall any statement be made, that the corporation is organized under an Act of Congress.

68 Stat. 177.  
D. C. Code  
29-901.

## RESERVED NAME

SEC. 8. (a) The exclusive right to the use of a corporate name may be reserved by any person or corporation, domestic or foreign, by delivering to the Commissioners an application to reserve a specified corporate name, executed by the applicant. If the Commissioners find that the name is available for corporate use, they shall reserve the same for the exclusive use of the applicant for a period of sixty days.

Such reservation may be renewed for an additional period of sixty days and for good cause shown such reservation may be further extended for a reasonable period.

(b) The right to the exclusive use of a specified corporate name so reserved may be transferred to any other person or corporation by delivering to the Commissioners a notice of such transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee.

#### REGISTERED OFFICE AND REGISTERED AGENT

SEC. 9. Each corporation shall have and continuously maintain in the District of Columbia—

(a) a registered office, which may be, but need not be, the same as its principal office;

(b) a registered agent, which agent may be either an individual resident of the District of Columbia whose business office is identical with such registered office, a domestic corporation, whether for profit or not for profit, or a foreign corporation, whether for profit or not for profit, authorized to transact business or conduct affairs in the District of Columbia and having an office identical with such registered office.

#### CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT

SEC. 10. (a) The registered office of a corporation or its registered agent, or both, may be changed by delivering to the Commissioners a statement setting forth—

(1) the name of the corporation;

(2) the address, including street and number, if any, of its then registered office;

(3) if the address of its registered office is to be changed, the address, including street and number, if any, to which the registered office is to be changed;

(4) the name of its then registered agent;

(5) if its registered agent is to be changed, the name of its successor registered agent;

(6) that the address of its registered office and the address of the office of its registered agent as changed will be identical; and

(7) that such change was authorized by resolution duly adopted by its board of directors or was authorized by an officer of the corporation duly empowered to make such change.

(b) Such statement shall be executed in duplicate by the corporation by its president or a vice president, and the corporate seal shall be thereto affixed, attested by the secretary or an assistant secretary, and delivered to the Commissioners. If the Commissioners find that such statement conforms to law, they shall, when all fees and charges have been paid as in this Act prescribed—

(1) endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;

(2) file one of such duplicate originals in their office;

(3) return the other duplicate original to the corporation or its representative.

(c) The change of address of the registered office, or the change of registered agent, or both, as the case may be, shall become effective upon the filing of such statement by the Commissioners.

(d) A corporation shall change its registered agent if the office of registered agent shall become vacant for any reason, or if its registered agent becomes disqualified or incapacitated, or if it revokes the appointment of its registered agent.

(e) Any registered agent of a corporation may resign as such agent by delivering written notice thereof, executed in triplicate, to the Commissioners, who shall file one copy thereof in their office and forthwith mail a copy thereof to the corporation at its registered office and another copy to the corporation at its principal office in the District of Columbia as shown by the records of the Commissioners. The appointment of such agent shall terminate upon the expiration of thirty days after receipt of such notice by the Commissioners or upon the appointment of a successor agent becoming effective, whichever occurs sooner. No fee or other charge of any kind shall be imposed with respect to a filing under this subsection.

#### REGISTERED AGENT AS AN AGENT FOR SERVICE

SEC. 11. (a) The registered agent appointed by a corporation as provided in this Act shall be an agent of such corporation upon whom any process, notice, or demand required or permitted by law to be served upon the corporation may be served. Service of any process, notice, or demand upon a corporate agent, as such agent, may be had by delivering a copy of such process, notice, or demand to the president, vice president, the secretary, or an assistant secretary of such corporate agent.

(b) Whenever a corporation shall fail to appoint or maintain a registered agent in the District or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the Commissioners shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the Commissioners of any such process, notice, or demand shall be made by delivering to and leaving with them or with any clerk having charge of their office duplicate copies of such process, notice, or demand. In the event that any such process, notice, or demand is served on the Commissioners, they shall immediately cause one of such copies thereof to be forwarded by registered or certified mail, addressed to the corporation at its registered office.

(c) The Commissioners shall keep a record of all processes, notices, and demands served upon them under this section, and shall record therein the time of such service and their action with respect thereto.

(d) Nothing herein contained shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law.

#### MEMBERS

SEC. 12. A corporation may have one or more classes of members or may have no members. If the corporation has one or more classes of members, the designation of such class or classes, the manner of election or appointment and the qualifications and rights of the members of each class shall be set forth in the articles of incorporation or the bylaws. If the corporation has no members, that fact shall be set forth in the articles of incorporation. A corporation may issue certificates evidencing membership therein.

#### BYLAWS

SEC. 13. The initial bylaws of a corporation shall be adopted by its board of directors. The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the board of directors unless otherwise provided in the articles of incorporation or the bylaws.

## MEETINGS OF MEMBERS

SEC. 14. (a) Meetings of members may be held at such place within or without the District of Columbia as may be provided in the bylaws or, where not inconsistent with the bylaws, in the notice of the meeting.

(b) An annual meeting of the members shall be held at such time as may be provided in the bylaws. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation.

(c) Special meetings of the members may be called by the president, the secretary, the board of directors, or by such other officers or persons or number or proportion of members as may be provided in the articles of incorporation or the bylaws. In the absence of a provision fixing the number or proportion of members entitled to call a meeting, a special meeting of members may be called by members having at least one-twentieth of the votes entitled to be cast at such meeting.

## NOTICE OF MEMBERS' MEETINGS

SEC. 15. Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall, in the absence of a provision in the bylaws specifying a different period of notice, be delivered not less than ten or more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

## VOTING

SEC. 16. (a) Members shall not be entitled to vote except as the right to vote shall be conferred by the articles of incorporation.

(b) A member may vote in person or, unless the articles of incorporation or the bylaws otherwise provide, may vote by proxy executed in writing by the member or his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Where the articles of incorporation or the bylaws so provide, voting on all matters, including the election of directors or officers where they are to be elected by the members, may be conducted by mail.

(c) The articles of incorporation or the bylaws may provide that in all elections for directors every member entitled to vote shall have the right to cumulate his vote and to give one candidate a number of votes equal to his vote multiplied by the number of directors to be elected, or by distributing such votes on the same principle among any number of such candidates.

(d) If a corporation has no members or if the members have no right to vote, the directors shall have the sole voting power and shall have all of the authority and may take any action herein permitted members.

## QUORUM

SEC. 17. (a) The bylaws may provide the number or percentage of members entitled to vote represented in person or by proxy, or the number or percentage of votes represented in person or by proxy, which shall constitute a quorum at a meeting of members. In the absence of any such provision, members having at least one-tenth of



the votes entitled to be cast represented in person or by proxy shall constitute a quorum. The affirmative vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by this Act, the articles of incorporation or the bylaws.

(b) Unless otherwise provided by the articles of incorporation or the bylaws, the members present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

(c) If a meeting cannot be organized because a quorum has not attended, those present may adjourn the meeting from time to time until a quorum is present, when any business may be transacted that may have been transacted at the meeting as originally called.

#### BOARD OF DIRECTORS

SEC. 18. The affairs of a corporation shall be managed by a board of directors. Directors need not be residents of the District of Columbia or members of the corporation unless the articles of incorporation or the bylaws so require. The articles of incorporation or the bylaws may prescribe other qualifications for directors.

#### NUMBER, ELECTION, CLASSIFICATION, AND REMOVAL OF DIRECTORS

SEC. 19. (a) The number of directors of a corporation shall be not less than three. Subject to such limitation, the number of directors shall be fixed by the bylaws, except as to the number of the first board of directors which number shall be fixed by the articles of incorporation. The number of directors may be increased or decreased from time to time by amendment to the bylaws, unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment of the articles of incorporation. No decrease in number shall have the effect of shortening the term of any incumbent director. In the absence of a bylaw fixing the number of directors, the number shall be the same as that stated in the articles of incorporation.

(b) The names and addresses of the members of the first board of directors shall be stated in the articles of incorporation. Such persons shall hold office until the first annual election of directors or for such other period as may be specified in the articles of incorporation or the bylaws. Thereafter, directors shall be elected or appointed in the manner and for the terms provided in the articles of incorporation or the bylaws. In the absence of a provision fixing the term of office, the term of office of a director shall be one year.

(c) Directors may be divided into classes and the terms of office of the several classes need not be uniform. Each director shall hold office for the term for which he is elected or appointed and until his successor shall have been elected or appointed and qualified, except in the case of ex officio directors.

(d) A director may be removed from office pursuant to any procedure therefor provided in the articles of incorporation or the bylaws, and if none be provided may be removed at a meeting called expressly for that purpose, with or without cause, by such vote as would suffice for his election.

## VACANCIES

SEC. 20. Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the then members of the board of directors, though less than a quorum of the board, unless the articles of incorporation or the bylaws provide that a vacancy or directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected or appointed, as the case may be, to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office.

## QUORUM OF DIRECTORS

SEC. 21. A majority of the number of directors fixed by the bylaws, or in the absence of a bylaw fixing the number of directors, then of the number stated in the articles of incorporation, shall constitute a quorum for the transaction of business, unless otherwise provided in the articles of incorporation or the bylaws; but in no event shall a quorum consist of less than one-third of the number of directors so fixed or stated. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by this Act or by the articles of incorporation or the bylaws.

## COMMITTEES

SEC. 22. If the articles of incorporation or the bylaws so provide, the board of directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution, in the articles of incorporation or in the bylaws of the corporation, shall have and exercise the authority of the board of directors in the management of the corporation. Other committees not having and exercising the authority of the board of directors in the management of the corporation may be designated and appointed by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or him by law.

## PLACE AND NOTICE OF DIRECTORS' MEETINGS

SEC. 23. Meetings of the board of directors, regular or special, may be held at such place within or without the District of Columbia, and upon such notice as may be prescribed in the bylaws or, where not inconsistent with the bylaws, by resolution of the board of directors. A director's attendance at any meeting shall constitute waiver of notice of such meeting, excepting such attendance at a meeting by a director for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting, unless otherwise provided in the articles of incorporation or the bylaws.

## OFFICERS

SEC. 24. (a) The officers of a corporation shall consist of a president, a secretary, and a treasurer, and may include one or more vice presidents and such other officers and assistant officers as may be deemed necessary, each of whom shall be elected or appointed at such time and in such manner and for such terms not exceeding three years as may be prescribed in the articles of incorporation or the bylaws. In the absence of any such provision, all officers shall be elected or appointed annually by the board of directors. If the bylaws so provide, any two or more offices may be held by the same person, except the offices of president and secretary.

(b) The articles of incorporation or the bylaws may provide that any one or more officers of the corporation or other organizations shall be ex officio members of the board of directors.

(c) The officers of a corporation may be designated by such other titles as may be provided in the articles of incorporation or the bylaws.

(d) All officers and agents of the corporation, as between themselves and the corporation, shall have such authority and perform such duties in the management of the property and affairs of the corporation as may be provided in the bylaws, or as may be determined by resolution of the board of directors not inconsistent with the bylaws.

## REMOVAL OF OFFICERS

SEC. 25. Any officer or agent elected or appointed may be removed by the persons authorized to elect or appoint such officer or agent whenever in their judgment the best interest of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not itself create contract rights.

## BOOKS AND RECORDS

SEC. 26. Each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office in the District of Columbia a record of the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by any member having voting rights, or his agent or attorney, for any proper purpose at any reasonable time.

## SHARES OF STOCK AND DIVIDENDS PROHIBITED

SEC. 27. A corporation shall not authorize or issue shares of stock. No dividend shall be paid and no part of the income of a corporation shall be distributed to its members, directors, or officers. A corporation may pay compensation, including pensions, in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, and upon dissolution or final liquidation may make distributions to its members or others as permitted by this Act.

## LOANS TO DIRECTORS AND OFFICERS PROHIBITED

SEC. 28. No loans shall be made by a corporation to its directors or officers. The directors of a corporation who vote for or assent to the making of a loan to a director or officer of the corporation, and any officer or officers participating in the making of such a loan, shall be

jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

#### INCORPORATORS

SEC. 29. Three or more natural persons of the age of twenty-one years or more may act as incorporators of a corporation by signing, verifying, and delivering in duplicate to the Commissioners articles of incorporation for such corporation.

#### ARTICLES OF INCORPORATION

SEC. 30. (a) The articles of incorporation shall set forth—

- (1) the name of the corporation;
- (2) the period of duration, which may be perpetual;
- (3) the purpose or purposes for which the corporation is organized;
- (4) if the corporation is to have no members, a statement to that effect;
- (5) if the corporation is to have one or more classes of members, any provision which the incorporators elect to set forth in the articles of incorporation designating the class or classes of members, stating the qualifications and rights of the members of each class and conferring, limiting, or denying the right to vote;
- (6) if the directors or any of them are not to be elected or appointed by one or more classes of members, a statement of the manner in which such directors shall be elected or appointed; or that the manner of such election or appointment of such directors shall be provided in the bylaws;
- (7) any provisions, not inconsistent with law, which the incorporators elect to set forth in the articles of incorporation for the regulation of the internal affairs of the corporation, including any provision for distribution of assets on dissolution or final liquidation and any provision which under this Act is required or permitted to be set forth in the bylaws;
- (8) the address, including street and number, if any, of its initial registered office, and the name of its initial registered agent at such address;
- (9) the number of directors constituting the initial board of directors, and the names and addresses, including street and number, if any, of the persons who are to serve as the initial directors until the first annual meeting or until their successors be elected and qualify;
- (10) the name and address, including street and number, if any, of each incorporator.

(b) It shall not be necessary to set forth in the articles of incorporation any of the corporate powers enumerated in this Act.

(c) Unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws shall be controlling. Whenever a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation shall be controlling.

#### FILING OF ARTICLES OF INCORPORATION

SEC. 31. (a) Duplicate originals of the articles of incorporation shall be delivered to the Commissioners.

(b) If the Commissioners find that the articles of incorporation conform to law, they shall, when all fees and charges have been paid as in this Act prescribed—

- (1) endorse on each of such duplicate originals the word "Filed" and the month, day, and year of filing thereof;
- (2) file one of such duplicate originals in their office;
- (3) issue a certificate of incorporation to which they shall affix the other duplicate original;
- (4) deliver the certificate of incorporation, together with the duplicate original of the articles of incorporation affixed thereto, to the incorporators or their representative.

#### EFFECT OF ISSUANCE OF CERTIFICATE OF INCORPORATION

SEC. 32. Upon the issuance of the certificate of incorporation, the corporate existence shall begin, and such certificate of incorporation shall be conclusive evidence that all conditions precedent required to be performed by the incorporators have been complied with and that the corporation has been incorporated under this Act, except as against the District of Columbia in a proceeding to cancel or revoke the certificate of incorporation.

#### ORGANIZATION MEETINGS

SEC. 33. (a) After the issuance of the certificate of incorporation an organization meeting of the board of directors named in the articles of incorporation shall be held within the United States at the call of a majority of the directors so named for the purpose of adopting bylaws (unless the power to adopt bylaws has been reserved by the articles of incorporation to the members, in which event the bylaws shall be adopted by the members), electing officers, and the transaction of such other business as may come before the meeting. The directors calling the meeting shall give at least five days' notice thereof by mail to each director so named, which notice shall state the time and place of the meeting: *Provided, however,* That if all the directors shall waive notice in writing and fix a time and place for said organization meeting no notice shall be required of such meeting.

(b) A first meeting of the members may be held at the call of the directors, or a majority of them, upon at least five days' notice, for such purposes as shall be stated in the notice of meeting.

#### RIGHT TO AMEND ARTICLES OF INCORPORATION

SEC. 34. A corporation may amend its articles of incorporation, from time to time, in any and as many respects as may be desired: *Provided,* That its articles of incorporation as amended contain only such provisions as might be lawfully contained in original articles of incorporation if made at the time of making such amendment.

#### PROCEDURE TO AMEND ARTICLES OF INCORPORATION

SEC. 35. Amendments to the articles of incorporation shall be made in the following manner:

(a) Where there are members having voting rights, the board of directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting.

(b) Written or printed notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member entitled to vote at such meeting within the time and in the manner provided in this Act for the giving of notice of meetings of members. If the meeting be an

annual meeting, the proposed amendment or such summary shall be included in the notice of such annual meeting.

(c) The proposed amendment shall be adopted upon receiving the affirmative vote of at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting.

(d) Where there are no members, or no members having voting rights, an amendment shall be adopted at a meeting of the board of directors upon receiving the vote of a majority of the directors in office.

(e) Any number of amendments may be submitted and voted upon at any one meeting.

#### ARTICLES OF AMENDMENT

SEC. 36. The articles of amendment shall be executed in duplicate by the corporation by its president or a vice president, and the corporate seal shall be thereto affixed, attested by its secretary or an assistant secretary, and shall set forth—

(a) the name of the corporation;

(b) the amendment so adopted;

(c) where there are members having voting rights, (1) a statement setting forth the date of the meeting of members at which the amendment was adopted, that a quorum was present at such meeting, and that such amendment received at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting, or (2) a statement that such amendment was adopted by a consent in writing signed by all members entitled to vote with respect thereto;

(d) where there are no members, or no members having voting rights, a statement of such fact, the date of the meeting of the board of directors at which the amendment was adopted, and a statement of the fact that such amendment received the vote of a majority of the directors in office.

#### FILING OF ARTICLES OF AMENDMENT

SEC. 37. (a) Duplicate originals of the articles of amendment shall be delivered to the Commissioners.

(b) If the Commissioners find that the articles of amendment conform to law, they shall, when all fees and charges have been paid as in this Act prescribed—

(1) endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;

(2) file one of such duplicate originals in their office;

(3) issue a certificate of amendment to which they shall affix the other duplicate original;

(4) deliver the certificate of amendment, together with the duplicate original of the articles of amendment affixed thereto, to the corporation or its representative.

#### EFFECT OF CERTIFICATE OF AMENDMENT

SEC. 38. (a) Upon the issuance of the certificate of amendment, the amendment shall become effective and the articles of incorporation shall be deemed to be amended accordingly.

(b) No amendment shall affect any existing cause of action in favor of or against such corporation, or any pending suit to which such corporation shall be a party, or the existing rights of persons other than members; and, in the event the corporate name shall be changed

by amendment, no suit brought by or against such corporation under its former name shall abate for that reason.

#### PROCEDURE FOR MERGER

SEC. 39. Any two or more domestic corporations subject to the provisions of this Act may merge into one of such corporations in the following manner:

The board of directors of each corporation shall, by resolution adopted by a majority vote of the members of each such board, approve a plan of merger setting forth—

- (a) the names of the corporations proposing to merge, and the name of the corporation into which they propose to merge, which is hereinafter designated as the surviving corporation;
- (b) the terms and conditions of the proposed merger;
- (c) a statement of any changes in the articles of incorporation of the surviving corporation to be effected by such merger;
- (d) such other provisions with respect to the proposed merger as are deemed necessary or desirable.

#### PROCEDURE FOR CONSOLIDATION

SEC. 40. Any two or more domestic corporations subject to the provisions of this Act may consolidate into a new corporation in the following manner:

The board of directors of each corporation shall, by resolution adopted by a majority vote of the members of each such board, approve a plan of consolidation setting forth—

- (a) the names of the corporations proposing to consolidate, and the name of the new corporation into which they propose to consolidate, which is hereinafter designated as the new corporation;
- (b) the terms and conditions of the proposed consolidation;
- (c) with respect to the new corporation, all of the statements required to be set forth in articles of incorporation for corporations organized under this Act;
- (d) such other provisions with respect to the proposed consolidation as are deemed necessary or desirable.

#### APPROVAL OF MERGER OR CONSOLIDATION

SEC. 41. A plan of merger or consolidation shall be approved in the following manner:

(a) Where the members of any merging or consolidating corporation have voting rights, the board of directors of such corporation shall adopt a resolution approving the proposed plan and directing that it be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting.

(b) Written or printed notice setting forth the proposed plan or a summary thereof shall be given to each member entitled to vote at such meeting within the time and in the manner provided in this Act for the giving of notice of meetings of members.

(c) At each such meeting, a vote of the members shall be taken on the proposed plan of merger or consolidation. The plan of merger or consolidation shall be approved upon receiving the affirmative vote of at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting.

(d) Where any merging or consolidating corporation has no members, or no members having voting rights, a plan of merger or consolidation shall be adopted at a meeting of the board of direc-

tors of such corporation upon receiving the vote of a majority of the directors in office.

(e) After such approval, and at any time prior to the filing of the articles of merger or consolidation, the merger or consolidation may be abandoned pursuant to provisions therefor, if any, set forth in the plan of merger or consolidation.

#### ARTICLES OF MERGER OR CONSOLIDATION

SEC. 42. (a) Upon such approval, articles of merger or articles of consolidation shall be executed in duplicate by each corporation by its president or a vice president, and the corporate seal of each such corporation shall be thereto affixed, attested by its secretary or an assistant secretary, and shall set forth—

(1) the plan of merger or the plan of consolidation;

(2) where the members of any merging or consolidating corporation have voting rights, then as to each such corporation (a) a statement setting forth the date of the meeting of members at which the plan was approved, that a quorum was present at such meeting, and that such plan received at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting, or (b) a statement that such amendment was approved by a consent in writing signed by all members entitled to vote with respect thereto;

(3) where any merging or consolidating corporation has no members, or no members having voting rights, then as to each such corporation a statement of such fact, the date of the meeting of the board of directors at which the plan was approved and a statement of the fact that such plan received the vote of a majority of the directors in office.

(b) Duplicate originals of the articles of merger or articles of consolidation shall be delivered to the Commissioners.

(c) If the Commissioners find that such articles conform to law, they shall, when all fees and charges have been paid as in this Act prescribed—

(1) endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;

(2) file one of such duplicate originals in their office;

(3) issue a certificate of merger or a certificate of consolidation to which they shall affix the other duplicate original;

(4) deliver the certificate of merger or certificate of consolidation, together with the duplicate original of the articles of merger or articles of consolidation affixed thereto, to the surviving or new corporation, as the case may be, or its representative.

#### EFFECTIVE DATE OF THE MERGER OR CONSOLIDATION

SEC. 43. Upon the issuance of the certificate of merger, or the certificate of consolidation by the Commissioners, the merger or consolidation shall be effected.

#### EFFECT OF MERGER OR CONSOLIDATION

SEC. 44. When such merger or consolidation has been effected—

(a) the several corporations parties to the plan of merger or consolidation shall be a single corporation, which, in the case of a merger, shall be that corporation designated in the plan of merger as the surviving corporation, and, in the case of a consolidation, shall be the new corporation provided for in the plan of consolidation;



(b) the separate existence of all corporations parties to the plan of merger or consolidation, except the surviving or new corporation, shall cease;

(c) such surviving or new corporation, as the case may be, shall have all the rights, privileges, immunities, and powers and shall be subject to all the duties and liabilities of a corporation organized under this Act;

(d) such surviving or new corporation shall thereupon and thereafter possess all the rights, privileges, immunities, and franchises, as well of a public as of a private nature, of each of the merging or consolidating corporations; and all property—real, personal, and mixed—and all debts due on whatever account, and all other choses in action, and all and every other interest, of or belonging to or due to each of the corporations so merged or consolidated, shall be taken and deemed to be transferred to and vested in such single corporation without further act or deed; and the title to any real estate or other property, or any interest therein, vested in any of such corporations shall not revert unless required by the terms of the gift, bequest, or devise, or be in any way impaired by reason of such merger or consolidation;

(e) such surviving or new corporation shall thenceforth be responsible and liable for all the liabilities and obligations of each of the corporations so merged or consolidated; and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted to judgment as if such merger or consolidation had not taken place, or such surviving or new corporation may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any such corporation shall be impaired by such merger or consolidation;

(f) in the case of a merger, the articles of incorporation of the surviving corporation shall be deemed to be amended to the extent, if any, that changes in its articles of incorporation are stated in the articles of merger; and, in the case of a consolidation, the statements set forth in the articles of consolidation and which are required or permitted to be set forth in the articles of incorporation of corporations organized under this Act shall be deemed to be the articles of incorporation of the new corporation.

#### MERGER OR CONSOLIDATION OF DOMESTIC AND FOREIGN CORPORATIONS

SEC. 45. One or more foreign corporations and one or more domestic corporations may be merged or consolidated if permitted by the laws of the State or country under which each such foreign corporation is organized.

(a) Each domestic corporation shall comply with the provisions of this Act with respect to the merger or consolidation, as the case may be, of domestic corporations and each foreign corporation shall comply with the applicable provisions of the laws of the State or country under which it is organized.

(b) If the surviving or new corporation, as the case may be, is to be governed by the laws of any State or country other than the District of Columbia, it shall comply with the provisions of this Act with respect to foreign corporations if it is to carry on its affairs in the District of Columbia, and in every case it shall deliver to the Commissioners, who shall file—

(1) an agreement that it may be served with process in the District of Columbia in any proceeding for the enforcement of any obligation of any domestic corporation which is a party to such merger or consolidation;

(2) an irrevocable appointment of the Commissioners of the District of Columbia as its agent to accept service of process in any such proceeding; and

(3) a post office address to which the Commissioners may mail a copy of any service of process, notice, or demand against the corporation that may be served on them.

(c) The effect of such merger or consolidation shall be the same as in the case of the merger or consolidation of domestic corporations, if the surviving or new corporation is to be governed by the laws of the District of Columbia. If the surviving or new corporation is to be governed by the laws of any jurisdiction other than the District of Columbia, the effect of such merger or consolidation shall be the same as in the case of the merger or consolidation of domestic corporations except insofar as the laws of such other jurisdiction provide otherwise.

#### SALE, LEASE, EXCHANGE, OR MORTGAGE OF ASSETS

SEC. 46. A sale, lease, exchange, mortgage, pledge, or other disposition of all, or substantially all, the property and assets of a corporation may be made upon such terms and conditions and for such consideration, which may consist in whole or in part of money or property, real or personal, including shares of any corporation for profit, domestic or foreign, as may be authorized in the following manner:

(a) Where there are members having voting rights, the board of directors shall adopt a resolution recommending such sale, lease, exchange, mortgage, pledge, or other disposition and directing the submission thereof to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting.

(b) Written or printed notice stating that the purpose, or one of the purposes, of such meeting is to consider the sale, lease, exchange, mortgage, pledge, or other disposition of all, or substantially all, the property and assets of the corporation shall be given to each member entitled to vote at such meeting, within the time and in the manner provided by this Act for the giving of notice of meetings of members.

(c) At such meeting the members may authorize such sale, lease, exchange, mortgage, pledge, or other disposition and may fix, or may authorize the board of directors to fix, any or all of the terms and conditions thereof and the consideration to be received by the corporation therefor. Such authorization shall require the vote of at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting.

(d) After such authorization by a vote of members, the board of directors, nevertheless, in its discretion, may abandon such sale, lease, exchange, mortgage, pledge, or other disposition of assets, subject to the rights of third parties under any contracts relating thereto, without further action or approval by members.

(e) Where there are no members, or no members having voting rights, a sale, lease, exchange, mortgage, pledge, or other disposition of all, or substantially all, the property and assets of a corporation shall be authorized upon receiving the vote of a majority of the directors in office.

## VOLUNTARY DISSOLUTION

SEC. 47. A corporation may dissolve and wind up its affairs in the following manner:

(a) Where there are members having voting rights, the board of directors shall adopt a resolution recommending that the corporation be dissolved, and directing that the question of such dissolution be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting. Written or printed notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation, shall be given to each member entitled to vote at such meeting, within the time and in the manner provided in this Act for the giving of notice of meetings of members. A resolution to dissolve the corporation shall be adopted upon receiving at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting.

(b) Where there are no members, or no members having voting rights, the dissolution of the corporation shall be authorized at a meeting of the board of directors upon the adoption of a resolution to dissolve by the vote of a majority of the directors in office.

(c) Upon the adoption of such resolution by the members, or by the board of directors where there are no members or no members having voting rights, the corporation shall cease to conduct its affairs except in so far as may be necessary for the winding up thereof, shall immediately cause a notice of the proposed dissolution to be mailed to each known creditor of the corporation, and shall proceed to collect its assets and apply and distribute them as provided in this Act.

## DISTRIBUTION OF ASSETS

SEC. 48. The assets of a corporation in the process of dissolution shall be applied and distributed as follows:

(a) All liabilities and obligations of the corporation shall be paid, satisfied, and discharged, or adequate provision shall be made therefor.

(b) Assets held by the corporation upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirements.

(c) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations engaged in activities substantially similar to those of the dissolving corporation, pursuant to a plan of distribution adopted as provided in this Act.

(d) Other assets, if any, shall be distributed in accordance with the provisions of the articles of incorporation or the bylaws to the extent that the articles of incorporation or bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others.

(e) Any remaining assets may be distributed to such persons, societies, organizations, or domestic or foreign corporations, whether for profit or not for profit, as may be specified if a plan of distribution adopted as provided in this Act.

## PLAN OF DISTRIBUTION

SEC. 49. A plan providing for the distribution of assets, not inconsistent with the provisions of this Act, may be adopted by a corporation in the process of dissolution and shall be adopted by a corporation for the purpose of authorizing any transfer or conveyance of assets for which this Act requires a plan of distribution, in the following manner:

(a) Where there are members having voting rights the board of directors shall adopt a resolution recommending a plan of distribution and directing that the plan be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting. Written or printed notice setting forth the proposed plan of distribution or a summary thereof shall be given to each member entitled to vote at such meeting, within the time and in the manner provided in this Act for the giving of notice of meetings of members. Such plan of distribution shall be adopted upon receiving at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting.

(b) Where there are no members, or no members having voting rights, a plan of distribution shall be adopted at a meeting of the board of directors upon receiving the vote of a majority of the directors in office.

## REVOCATION OF VOLUNTARY DISSOLUTION PROCEEDINGS

SEC. 50. A corporation may, at any time prior to the issuance of a certificate of dissolution by the Commissioners, as hereinafter provided, revoke the action theretofore taken to dissolve the corporation, in the following manner:

(a) Where there are members having voting rights, the board of directors shall adopt a resolution recommending that the voluntary dissolution proceedings be revoked, and directing that the question of such revocation be submitted to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting. Written or printed notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of revoking the voluntary dissolution proceedings, shall be given to each member entitled to vote at such meeting, within the time and in the manner provided in this Act for the giving of notice of meetings of members. A resolution to revoke the voluntary dissolution proceedings shall be adopted upon receiving at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting.

(b) Where there are no members, or no members having voting rights, a resolution to revoke the voluntary dissolution proceedings shall be adopted at a meeting of the board of directors upon receiving the vote of a majority of the directors in office.

(c) Upon the adoption of such resolution by the members, or by the board of directors where there are no members or no members having voting rights, the corporation may thereupon again conduct its affairs. If the articles of dissolution have been delivered to the Commissioners, notice of such revocation shall be given to them in writing.

## ARTICLES OF DISSOLUTION

SEC. 51. If voluntary dissolution proceedings have not been revoked, when all debts, liabilities, and obligations of the corporation shall have been paid and discharged, or adequate provisions shall have been made therefor, and all of the remaining property and assets of the corporation shall have been transferred, conveyed, or distributed in accordance with the provisions of this Act, articles of dissolution shall be executed in duplicate by the corporation by its president or a vice president, and the corporate seal shall be thereto affixed and attested by its secretary or an assistant secretary, and such statement shall set forth—

- (a) the name of the corporation;
- (b) where there are members having voting rights—
  - (1) a statement setting forth the date of the meeting of members at which the resolution to dissolve was adopted, that a quorum was present at such meeting, and that such resolution received at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting, or
  - (2) a statement that such resolution was adopted by a consent in writing signed by all members entitled to vote with respect thereto;
- (c) where there are no members, or no members having voting rights, a statement of such fact, the date of the meeting of the board of directors at which the resolution to dissolve was adopted and a statement of the fact that such resolution received the vote of a majority of the directors in office;
- (d) that all debts, liabilities, and obligations of the corporation have been paid and discharged or that adequate provision has been made therefor;
- (e) that all the remaining property and assets of the corporation have been transferred, conveyed, or distributed in accordance with the provisions of this Act;
- (f) that there are no suits pending against the corporation in any court, or that adequate provision has been made for the satisfaction of any judgment, order, or decree which may be entered against it in any pending suit.

## FILING OF ARTICLES OF DISSOLUTION

SEC. 52. (a) Duplicate originals of such articles of dissolution shall be delivered to the Commissioners.

(b) If the Commissioners find that such articles of dissolution conform to law, they shall, when all fees and charges have been paid as in this Act prescribed—

- (1) endorse on each of such duplicate originals the word “Filed”, and the month, day, and year of the filing thereof;
  - (2) file one of such duplicate originals in their office;
  - (3) issue a certificate of dissolution to which they shall affix the other duplicate original;
  - (4) deliver the certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto, to the representative of the dissolved corporation.
- (c) Upon the issuance of such certificate of dissolution the existence of the corporation shall cease, except for the purpose of suits, other proceedings, and appropriate corporate action by members, directors, and officers as provided in this Act.

## INVOLUNTARY DISSOLUTION

SEC. 53. (a) A corporation may be dissolved involuntarily by a decree of the court in an action instituted by the Commissioners in the name of the District of Columbia when it is made to appear to the court that—

(1) the franchise of the corporation was procured through fraud; or

(2) the corporation has continued to exceed or abuse the authority conferred upon it by this Act; or

(3) the corporation has failed for ninety days to appoint and maintain a registered agent as provided in this Act; or

(4) the corporation has failed for ninety days after change of its registered office or registered agent to deliver to the Commissioners a statement of such change.

(b) At least thirty days before any action for the involuntary dissolution of a corporation shall be filed by the Commissioners, they shall notify the corporation by certified or registered mail addressed to such corporation at its registered office a notice of their intention to file such suit and the reason therefor. If, before action is filed, the corporation as the case may be shall submit satisfactory evidence that said franchise was not procured through fraud or that the corporation has not exceeded or abused such authority or shall appoint or maintain a registered agent as provided in this Act, or deliver to the Commissioners the required statement of change of registered agent, the Commissioners shall not file an action against such corporation for such cause. If, after action is filed, for a reason stated in paragraph (3) or (4) of the preceding subsection the corporation shall as the case may be appoint or maintain a registered agent as provided in this Act, or shall deliver to the Commissioners the required statement of change of registered agent, and shall pay the costs of such action, the action for such cause shall abate.

## VENUE AND PROCESS

SEC. 54. In every action for the involuntary dissolution of a corporation hereinbefore provided, summons shall issue and be served as in other civil actions. In case a return is made thereon that no officer or agent of such corporation can be found within the territorial limits of the District of Columbia, then the Commissioners shall cause publication to be made in some newspaper of general circulation published in the District of Columbia, containing a notice of the pendency of such action, the title of the court, the names of the parties thereto, and the date on or after which default may be entered. The Commissioners shall cause a copy of such notice to be mailed by registered or certified mail to the corporation at its registered office within ten days after the first publication thereof. The certificate of the Commissioners of the mailing of such notice shall be prima facie evidence thereof. Such notice shall be published at least once each week for two successive weeks, and the first publication thereof may begin at any time after the summons has been returned. Unless a corporation shall have been served with summons, no default shall be taken against it earlier than thirty days after the first publication of such notice. The cost of publication of such notice shall be paid by the Commissioners, unless the decree is against the corporation and such cost is collected from it.

JURISDICTION OF COURT TO LIQUIDATE ASSETS AND AFFAIRS OF  
CORPORATION

SEC. 55. The United States District Court for the District of Columbia shall have full power to liquidate the assets and affairs of a corporation—

(a) in any action by a member or director when it is made to appear—

(1) that the directors are deadlocked in the management of the corporate affairs and that irreparable injury to the corporation is being suffered or is threatened by reason thereof, and either that the members are unable to break the deadlock or there are no members having voting rights; or

(2) that the acts of the directors or those in control of the corporation are illegal, oppressive, or fraudulent; or

(3) that the corporate assets are being misapplied or wasted; or

(4) that the corporation is unable to carry out its purposes;

(b) in an action by a creditor—

(1) when the claim of the creditor has been reduced to judgment and an execution thereon has been returned unsatisfied and it is established that the corporation is insolvent; or

(2) when the corporation has admitted in writing that the claim of the creditor is due and owing and it is established that the corporation is insolvent;

(c) upon application by a corporation to have its dissolution continued under the supervision of the court;

(d) when an action has been commenced by the Commissioners to dissolve a corporation and it is made to appear that liquidation of its affairs should precede the entry of a decree of dissolution;

(e) it shall not be necessary to make directors or members parties to any such action or proceeding unless relief is sought against them personally.

## PROCEDURE IN LIQUIDATION OF CORPORATION BY COURT

SEC. 56. (a) In proceedings to liquidate the assets and affairs of a corporation the court shall have the power to issue injunctions, to appoint a receiver or receivers pendente lite, with such powers and duties as the court, from time to time, may direct, and to take such other proceedings as may be requisite to preserve the corporate assets wherever situated, and carry on the affairs of the corporation until a full hearing can be had.

(b) After a hearing had upon such notice as the court may direct to be given to all parties to the proceedings and to any other parties in interest designated by the court, the court may appoint a liquidating receiver or receivers with authority to collect the assets of the corporation. Such liquidating receiver or receivers shall have authority, subject to the order of the court, to sell, convey, and dispose of all or any part of the assets of the corporation wherever situated, either at public or private sale. The order appointing such liquidating receiver or receivers shall state their powers and duties. Such powers and duties may be increased or diminished at any time during the proceedings.

(c) The assets of the corporation or the proceeds resulting from a sale, conveyance, or other disposition thereof shall be applied and distributed as follows:

(1) All costs and expenses of the court proceedings and all liabilities and obligations of the corporation shall be paid, satisfied, and discharged, or adequate provision shall be made therefor;

(2) Assets held by the corporation upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution or liquidation, shall be returned, transferred, or conveyed in accordance with such requirements;

(3) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution or liquidation, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations engaged in activities substantially similar to those of the dissolving or liquidating corporation as the court may direct;

(4) Other assets, if any, shall be distributed in accordance with the provisions of the articles of incorporation or the bylaws to the extent that the articles of incorporation or bylaws determine the distributive rights of members or any class or classes of members, or provide for distribution to others;

(5) Any remaining assets may be distributed to such persons, societies, organizations, or domestic or foreign corporations, whether for profit or not for profit, specified in the plan of distribution adopted as provided in this Act, or where no plan of distribution has been adopted, as the court may direct.

(d) The court shall have power to allow, from time to time, as expenses of the liquidation, compensation to the receiver or receivers and to attorneys in the proceeding, and to direct the payment thereof out of the assets of the corporation or the proceeds of any sale or disposition of such assets.

(e) A receiver of a corporation appointed under the provisions of this section shall have authority to sue and defend in all courts in his own name as receiver of such corporation. The court appointing such receiver shall, for the purposes of this Act, have exclusive jurisdiction of the corporation and its property, wherever situated.

#### QUALIFICATION OF RECEIVERS

SEC. 57. A receiver shall in all cases be a citizen of the United States or a corporation for profit authorized to act as receiver, which corporation may be a domestic corporation or a foreign corporation authorized to transact business in the District of Columbia, and shall in all cases give such bond as the court may direct with such sureties as the court may require.

#### FILING OF CLAIMS IN LIQUIDATION PROCEEDINGS

SEC. 58. In proceedings to liquidate the assets and affairs of a corporation the court may require all creditors of the corporation to file with the clerk of the court or with the receiver, in such form as the court may prescribe, proofs under oath of their respective claims. If the court requires the filing of claims it shall fix a date, which shall be not less than four months from the date of the order, as the last day for the filing of claims, and shall prescribe the notice that shall be



given to creditors and claimants of the date so fixed. Prior to the date so fixed, the court may extend the time for the filing of claims. Creditors and claimants failing to file proofs of claim on or before the date so fixed may be barred, by order of court, from participating in the distribution of the assets of the corporation.

#### DISCONTINUANCE OF LIQUIDATION PROCEEDINGS

SEC. 59. The liquidation of the assets and affairs of a corporation may be discontinued at any time during the liquidation proceedings when it is made to appear that cause for liquidation no longer exists. In such event the court shall dismiss the proceedings and direct the receiver to redeliver to the corporation all its remaining property and assets.

#### DECREE OF DISSOLUTION

SEC. 60. In proceedings to liquidate the assets and affairs of a corporation, when the costs and expenses of such proceedings and all debts, obligations, and liabilities of the corporation shall have been paid and discharged and all of its remaining property and assets distributed in accordance with the provisions of this Act, or in case its property and assets are not sufficient to satisfy and discharge such costs, expenses, debts, and obligations, and all the property and assets have been applied so far as they will go to their payment, the court shall enter a decree dissolving the corporation, whereupon the existence of the corporation shall cease.

#### FILING OF DECREE OF DISSOLUTION

SEC. 61. In case the court shall enter a decree dissolving a corporation, it shall be the duty of the clerk of the court to cause a certified copy of the decree to be delivered to the Commissioners, who shall file the same. No fee shall be charged by the Commissioners for the filing thereof.

#### DEPOSITS IN REGISTRY OF COURT

SEC. 62. Upon the voluntary or involuntary dissolution of a corporation, the portion of the assets distributable to any person who is unknown or cannot be found, or who is under disability and there is no person legally competent to receive such distributive portion, shall be reduced to cash and deposited in the registry of the court and shall be paid over to such person or to his legal representative upon proof satisfactory to the court of his right thereto. If any portion thereof remain in the registry after ten years from the date of deposit, it shall escheat to the District of Columbia and shall be paid into the Treasury of the United States for the credit of the said District.

#### SURVIVAL OF REMEDY AFTER DISSOLUTION

SEC. 63. The dissolution of a corporation or the expiration of its period of duration shall not take away or impair any remedy available to or against such corporation, its directors, officers, or members for any right or claim existing, or any liability incurred, prior to such dissolution if suit or other proceeding thereon is commenced within two years after the date of such dissolution. Any suit or proceeding by or against the corporation may be prosecuted or defended by the corporation in its corporate name. The members, directors, and officers shall have power to take such corporate or other action as shall be appropriate to protect such remedy, right, or claim. If such corpo-

ration was dissolved by the expiration of its period of duration, such corporation may amend its articles of incorporation at any time during such period of two years so as to extend its period of duration.

#### ADMISSION OF FOREIGN CORPORATION

SEC. 64. (a) A foreign corporation to which this Act is applicable shall procure a certificate of authority from the Commissioners before it conducts affairs in the District, but no foreign corporation shall be entitled to procure a certificate of authority under this Act to conduct in the District any affairs which a corporation organized under this Act is not permitted to conduct. A foreign corporation shall not be denied a certificate of authority by reason of the fact that the laws of the state or country under which such corporation is organized governing its organization and internal affairs differ from the laws of the District, and nothing in this Act contained shall be construed to authorize the District to regulate the organization or the internal affairs of such corporation.

(b) Without excluding other activities which may not constitute conducting affairs in the District of Columbia, a foreign corporation shall not be considered to be conducting affairs in the District for the purposes of this Act, by reason of conducting an isolated transaction completed in thirty days and not in the course of a number of repeated transactions of like nature or by reason of any one or more of the following activities in the District:

- (1) maintaining or defending any action or suit or any administrative or arbitration proceeding, or effecting the settlement thereof or the settlement of claims or disputes;
- (2) holding meetings of its directors or members or carrying on other activities concerning its internal affairs;
- (3) maintaining bank accounts;
- (4) creating evidences of debt, mortgages, or liens on real or personal property;
- (5) collecting its debts, taking security for the same, or enforcing any rights in property securing the same.

#### POWERS OF FOREIGN CORPORATION

SEC. 65. (a) No foreign corporation to which this Act is applicable shall conduct in the District any affairs which may not be conducted by a corporation organized under this Act.

(b) A foreign corporation which shall have received a certificate of authority under this Act shall, until a certificate of revocation or of withdrawal shall have been issued as provided in this Act, enjoy the same rights and privileges as, but no greater rights and privileges than, a domestic corporation organized for the purposes set forth in the application pursuant to which such certificate of authority is issued; and, except as in this Act otherwise provided, shall be subject to the same duties, restrictions, penalties, and liabilities now or hereafter imposed upon a domestic corporation of like character.

#### CORPORATE NAME OF FOREIGN CORPORATION

SEC. 66. No certificate of authority shall be issued to a foreign corporation—

- (a) which has a name the same as, or deceptively similar to, the name of any domestic corporation, whether for profit or not for profit, organized under any Act of Congress authorizing the formation of corporations under the laws of the District of Columbia or that of any corporation created pursuant to any spe-

cial Act of Congress to transact business or conduct affairs in the District, or that of any foreign corporation, whether for profit or not for profit, authorized to transact business or conduct affairs in the District, or a name, the exclusive right to which is, at the time, reserved in the manner provided in this Act, or in accordance with the provisions of the District of Columbia Business Corporation Act;

(b) unless the corporate name of such corporation is in English, or is transliterated into letters of the English alphabet if it is not in English.

68 Stat. 177.  
D. C. Code  
29-901.

#### CHANGE OF NAME BY FOREIGN CORPORATION

SEC. 67. Whenever a foreign corporation which is authorized to conduct affairs in the District of Columbia shall change its name to one under which a certificate of authority would not be granted to it on application therefor, the authority of such corporation shall be suspended and it shall not thereafter conduct any affairs in the District until it has changed its name to a name which is available to it under the laws of the District.

#### APPLICATION FOR CERTIFICATE OF AUTHORITY

SEC. 68. A foreign corporation, in order to procure a certificate of authority to conduct affairs in the District of Columbia, shall make application therefor to the Commissioners, which application shall set forth—

(a) the name of the corporation and the State or country under the laws of which it is incorporated;

(b) the date of incorporation and the period of duration of the corporation;

(c) the address, including street and number, if any, of the principal office of the corporation in the State or country under the laws of which it is incorporated;

(d) the address, including street and number, if any, of the proposed registered office of the corporation in the District, and the name of its proposed registered agent in the District at such address;

(e) a brief statement of the purposes it proposes to pursue in conducting its affairs in the District;

(f) the names and respective addresses, including street and number, if any, of the directors and officers of the corporation;

(g) such additional information as may be necessary or appropriate in order to enable the Commissioners to determine whether such corporation is entitled to a certificate to conduct affairs in the District.

Such application shall be executed in duplicate by the corporation by its president or a vice president, and the corporate seal shall be thereto affixed, attested by its secretary or an assistant secretary.

#### FILING OF APPLICATION FOR CERTIFICATE OF AUTHORITY

SEC. 69. (a) There shall be delivered to the Commissioners—

(1) duplicate originals of the application of the corporation for a certificate of authority;

(2) a copy of its articles of incorporation and all amendments thereto, duly certified by the proper officer of the State or country under the laws of which it is incorporated.

(b) If the Commissioners find that such application conforms to law, they shall, when all fees and charges have been paid as in this Act prescribed—

(1) endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;

(2) file in their office one of such duplicate originals of the application and the copy of the articles of incorporation and amendments thereto;

(3) issue a certificate of authority to conduct affairs in the District to which they shall affix the other duplicate original application;

(4) deliver the certificate of authority, together with the duplicate original of the application affixed thereto, to the corporation or its representative.

#### EFFECT OF CERTIFICATE OF AUTHORITY

SEC. 70. Upon the issuance of a certificate of authority by the Commissioners, the corporation shall have the right to conduct affairs in the District for those purposes set forth in its application, subject, however, to the right of the District to suspend or to revoke such authority as provided in this Act.

#### REGISTERED OFFICE AND REGISTERED AGENT OF FOREIGN CORPORATION

SEC. 71. Each foreign corporation authorized to conduct affairs in the District shall have and continuously maintain in the District—

(a) a registered office which may be, but need not be, the same as its principal office in the District;

(b) a registered agent, which agent may be either an individual resident in the District whose business office is identical with such registered office, or a domestic corporation, whether for profit or not for profit, or a foreign corporation, whether for profit or not for profit, authorized to transact business or conduct affairs in the District, having a business office identical with such registered office.

#### CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT OF FOREIGN CORPORATION

SEC. 72. (a) The registered office of a corporation or its registered agent, or both, may be changed by delivering to the Commissioners a statement setting forth—

(1) the name of the corporation;

(2) the address, including street and number, if any, of its then registered office;

(3) if the address of its registered office is to be changed, the address, including street and number, if any, to which the registered office is to be changed;

(4) the name of its then registered agent;

(5) if its registered agent is to be changed, the name of its successor registered agent;

(6) that the address of its registered office and the address of the office of its registered agent, as changed, will be identical;

(7) that such change was authorized by resolution duly adopted by its board of directors, or was authorized by an officer of the corporation duly empowered to make such change.

(b) Such statement shall be executed in duplicate by its president or vice president, and the corporate seal shall be thereto affixed, attested by its secretary or an assistant secretary, and shall be delivered to the Commissioners. If the Commissioners find that such state-

ment conforms to law, they shall, when all fees and charges have been paid as in this Act prescribed—

(1) endorse on each of such duplicate originals the word “Filed”, and the month, day, and year of the filing thereof;

(2) file one of such duplicate originals in their office;

(3) return the other duplicate original to the corporation or its representative.

(c) The change of address of the registered office, or the change of registered agent, or both, as the case may be, shall become effective upon the filing of such statement by the Commissioners.

(d) A foreign corporation shall change its registered agent if the office of registered agent shall become vacant for any reason, or if its registered agent becomes disqualified or incapacitated to act, or if it revokes the appointment of its registered agent.

(e) Any registered agent of a foreign corporation may resign as such agent by delivering a written notice thereof, executed in duplicate, to the Commissioners who shall file one copy thereof in their office and forthwith mail a copy thereof to the corporation at its principal office in the state or country under the laws of which it is incorporated as the same appears in the records of the Commissioners. The appointment of such agent shall terminate upon the expiration of thirty days after receipt of such notice by the Commissioners or upon the appointment of a successor agent becoming effective, whichever occurs sooner. No fee or charge of any kind shall be imposed with respect to a filing under this subsection.

#### SERVICE OF PROCESS ON FOREIGN CORPORATION

SEC. 73. (a) The registered agent so appointed by a foreign corporation authorized to conduct affairs in the District shall be an agent of such corporation upon whom any process, notice, or demand required or permitted by law to be served upon the corporation, may be served. Service of any such process, notice, or demand upon a corporate agent, as such agent, may be had by delivering a copy of such process, notice, or demand to the president, vice president, the secretary, or an assistant secretary of such corporate agent.

(b) Whenever a foreign corporation authorized to conduct affairs in the District shall fail to appoint or maintain a registered agent in the District, or whenever any such registered agent cannot with reasonable diligence be found at the registered office, or whenever the certificate of authority of a foreign corporation shall be suspended or revoked, then the Commissioners shall be an agent of such corporation upon whom any such process, notice, or demand may be served. Service on the Commissioners of any such process, notice, or demand shall be made by delivering to and leaving with them, or with any clerk having charge of their office, duplicate copies of such process, notice, or demand. In the event any such process, notice, or demand is served on the Commissioners, they shall immediately cause one of such copies thereof to be forwarded by registered or certified mail, addressed to the corporation at its principal office in the state or country under the laws of which it is incorporated, as the same appears in the records of the Commissioners.

(c) If any foreign corporation shall conduct affairs in the District without a certificate of authority, it shall by conducting such affairs be deemed to have thereby appointed the Commissioners its agent and representative upon whom any process, notice, or demand may be served. Service shall be made by delivery to and leaving with the Commissioners, or with any clerk having charge of their office, duplicate copies of such process, notice, or demand, together with an affi-

davit giving the latest known post office address of such corporation, and such service shall be sufficient if notice thereof and a copy of the process, notice, or demand are forwarded by registered or certified mail, addressed to such corporation at the address given in such affidavit.

(d) The Commissioners shall keep a record of all processes, notices, and demands served upon them under this section, and shall record therein the time of such service and their action with reference thereto.

(e) Nothing herein contained shall limit or affect the right to serve any process, notice, or demand, required or permitted by law to be served upon a corporation in any other manner now or hereafter permitted by law.

#### AMENDMENT TO ARTICLES OF INCORPORATION OF FOREIGN CORPORATION

SEC. 74. Whenever the articles of incorporation of a foreign corporation authorized to conduct affairs in the District are amended, such foreign corporation shall, within ninety days after such amendment becomes effective, file with the Commissioners a copy of such amendment duly certified by the proper officer of the state or country under the laws of which it is incorporated; but the filing thereof shall not of itself enlarge or alter the purpose or purposes which such corporation is authorized to pursue in conducting its affairs in the District, nor authorize such corporation to conduct affairs in the District under any other name than the name set forth in its certificate of authority.

#### MERGER OF FOREIGN CORPORATION

SEC. 75. Whenever a foreign corporation authorized to conduct affairs in the District shall be a party to a statutory merger permitted by the laws of the state or country under the laws of which it is incorporated, and such corporation shall be the surviving corporation, it shall, within ninety days after such merger becomes effective, deliver to the Commissioners a copy of the articles of merger duly certified by the proper officer of the state or country under the laws of which such statutory merger was effected; and it shall not be necessary for such corporation to procure either a new or amended certificate of authority to conduct affairs in the District unless the name of such corporation be changed thereby or unless the corporation desires to pursue in the District other or additional purposes than those which it is then authorized to pursue in the District.

#### AMENDED CERTIFICATE OF AUTHORITY

SEC. 76. (a) A foreign corporation authorized to conduct affairs in the District shall procure an amended certificate of authority in the event it changes its corporate name, or desires to pursue in the District other or additional purposes than those set forth in its prior application for a certificate of authority, by making application therefor to the Commissioners.

(b) The requirements in respect to the form and contents of such application, the manner of its execution, the delivering of duplicate originals thereof to the Commissioners, the issuance of an amended certificate of authority and the effect thereof, shall be the same as in the case of an original application for a certificate of authority.

## WITHDRAWAL OF FOREIGN CORPORATION

SEC. 77. (a) A foreign corporation authorized to conduct affairs in the District may withdraw from the District upon procuring from the Commissioners a certificate of withdrawal. In order to procure such certificate of withdrawal, such foreign corporation shall deliver to the Commissioners an application for withdrawal.

(b) The application for withdrawal shall state—

(1) the name of the corporation and the state or country under the laws of which it is incorporated;

(2) that the corporation is not conducting affairs in the District;

(3) that the corporation surrenders its authority to conduct affairs in the District;

(4) that the corporation revokes the authority of its registered agent in the District to accept service of process and consents that service of process in any action, suit, or proceeding based upon any cause of action arising in the District during the time the corporation was authorized to conduct affairs in the District may thereafter be made on such corporation by service thereof on the Commissioners;

(5) a post office address to which the Commissioners may mail a copy of any process against the corporation that may be served on them.

(c) The application for withdrawal shall be executed by the corporation by its president or a vice president, and the corporate seal shall be thereto affixed, attested by its secretary or an assistant secretary, or, if the corporation is in the hands of a receiver or trustee, shall be executed on behalf of the corporation by such receiver or trustee and verified by him.

## FILING OF APPLICATION FOR WITHDRAWAL

SEC. 78. (a) Duplicate originals of such application for withdrawal shall be delivered to the Commissioners. If the Commissioners find that such application conforms to law, they shall, when all fees have been paid as in this Act prescribed—

(1) endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;

(2) file one of such duplicate originals in their office;

(3) issue a certificate of withdrawal to which they shall affix the other duplicate original;

(4) deliver the certificate of withdrawal, together with the duplicate original of the application for withdrawal affixed thereto, to the corporation or its representative.

(b) Upon the issuance of such certificate of withdrawal, the authority of the corporation to conduct affairs in the District shall cease.

## REVOCATION OF CERTIFICATE OF AUTHORITY

SEC. 79. (a) The certificate of authority of a foreign corporation to conduct affairs in the District may be revoked by the Commissioners when they find that—

(1) the certificate of authority of the corporation was procured through fraud practiced upon the District; or

(2) the corporation has continued to exceed or has abused the authority conferred upon it by this Act; or

(3) the corporation has failed for a period of ninety days to pay any fees, charges, or penalties prescribed by this Act; or

(4) the corporation has failed for a period of ninety days to appoint and maintain a registered agent in the District; or

(5) the corporation has failed for ninety days after change of its registered office or registered agent to file with the Commissioners a statement of such changes; or

(6) the corporation for a period of two years has not conducted any affairs in the District; or

(7) the corporation has failed to file with the Commissioners a duly certified copy of each amendment to its articles of incorporation within ninety days after such amendment becomes effective; or

(8) a misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by such corporation pursuant to this Act.

(b) No certificate of authority of a foreign corporation shall be revoked by the Commissioners unless (1) they shall have given the corporation not less than thirty days' notice thereof by certified or registered mail addressed to such corporation at its principal office in the state or country under the laws of which such corporation is organized, as the same appears in the records of the Commissioners or at its registered office in the District, and (2) the corporation, prior to such revocation and as the case may be, shall fail to submit satisfactory evidence that said certificate was not procured by such fraud, or that the corporation has not exceeded or abused such authority, or shall fail to pay such fees, charges, or penalties, or shall fail to appoint a registered agent in the District, or shall fail to file the required statement of change of registered office or registered agent, or shall fail to file a statement showing that it has conducted affairs in the District within a period of two years, or shall fail to file a copy of any such amendment to its articles of incorporation, or shall fail to submit satisfactory evidence that a misrepresentation of a material matter was not made in any such application, report, affidavit, or other document.

#### ISSUANCE OF CERTIFICATE OF REVOCATION

SEC. 80. (a) Upon revoking any such certificate of authority, the Commissioners shall—

(1) issue a certificate of revocation in duplicate;

(2) file one of such certificates in their office;

(3) mail the other such certificate to such corporation at its registered office in the District or to its principal place of business as the same appears in the records of the Commissioners.

(b) Upon the issuance of such certificate of revocation, the authority of the corporation to conduct affairs in the District shall cease.

#### APPLICATION TO FOREIGN CORPORATIONS CONDUCTING AFFAIRS ON THE EFFECTIVE DATE OF THIS ACT

SEC. 81. Foreign corporations conducting affairs in the District at the time this Act takes effect for a purpose or purposes for which a certificate of authority is required under the provisions of this Act shall, within six months after the effective date of this Act, procure a certificate of authority and shall otherwise comply with all applicable provisions of this Act. Failure to secure a certificate of authority within the time provided in this section shall subject the corporation to all the penalties, liabilities, and restrictions provided in this Act for conducting affairs without a certificate of authority.



## CONDUCTING AFFAIRS WITHOUT CERTIFICATE OF AUTHORITY

SEC. 82. (a) No foreign corporation which is conducting affairs in the District without a certificate of authority shall be permitted to maintain any action, suit, or proceeding in any court of the District until such corporation shall have obtained a certificate of authority. Nor shall any action, suit, or proceeding be maintained in any court of the District by any successor or assignee of such corporation on any right, claim, or demand arising out of the conduct of affairs by such corporation in the District, until a certificate of authority shall have been obtained by such corporation or by a corporation which has acquired all or substantially all of its assets.

(b) The failure of a foreign corporation to obtain a certificate of authority to conduct affairs in the District shall not impair the validity of any contract or act of such corporation, and shall not prevent such corporation from defending any action, suit, or proceeding in any court of the District.

(c) A foreign corporation which conducts affairs in the District without a certificate of authority shall be liable to the District for the years or parts thereof during which it conducted affairs in the District without a certificate of authority, in an amount equal to all fees, penalties, and other charges which would have been imposed by this Act upon such corporation had it duly applied for and received a certificate of authority to conduct affairs in the District as required by this Act and thereafter filed all reports required by this Act; and, in addition thereto, it shall be liable for a penalty to be assessed by the Commissioners of not in excess of \$200. The Commissioners shall bring proceedings to recover all amounts due the District under the provisions of this section. Such charges and penalties shall be paid to the District before any certificate of authority is issued to such foreign corporation.

## ANNUAL REPORT OF DOMESTIC AND FOREIGN CORPORATIONS

SEC. 83. (a) Each domestic corporation, and each foreign corporation authorized to conduct affairs in the District, shall prepare an annual report setting forth—

(1) the name of the corporation and the State or country under the laws of which it is incorporated;

(2) the address, including street and number, if any, of its registered office in the District, and the name of its registered agent at such address, and, in the case of a foreign corporation, the address, including street and number, if any, of its principal office in the state or country under the laws of which it is incorporated;

(3) a brief statement of the character of the affairs which the corporation is actually conducting, or, in the case of a foreign corporation, which the corporation is actually conducting in the District;

(4) the names and respective addresses, including street and number, if any, of the directors and officers of the corporation.

(b) Such annual report shall be made on forms prescribed and furnished by the Commissioners, and the information therein contained shall be given as of the date of the execution of the report. It shall be executed by the corporation by its president, a vice president, secretary, an assistant secretary, treasurer, or assistant treasurer, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation by such receiver or trustee.

## FILING OF ANNUAL REPORT OF DOMESTIC AND FOREIGN CORPORATIONS

SEC. 84. Such annual report of a domestic or foreign corporation shall be delivered to the Commissioners on or before the fifteenth day of April of each year, except that the first annual report of a domestic or foreign corporation shall be delivered to the Commissioners on or before the fifteenth day of April of the year next succeeding the calendar year in which its certificate of incorporation or its certificate of authority, as the case may be, was issued by the Commissioners. Proof to the satisfaction of the Commissioners that prior to the fifteenth day of April such report was deposited in the United States mail in a sealed envelope, properly addressed, with postage prepaid, shall be deemed a compliance with this requirement. If the Commissioners find that such report conforms to law, they shall file the same. If they find that it does not so conform, they shall promptly return the same to the corporation for any necessary corrections, in which event the penalties hereinafter prescribed for failure to file such report within the time hereinabove provided shall not apply, if such report is corrected to conform to the requirements of this Act and returned to the Commissioners in sufficient time to be filed prior to the first day of July of the year in which it is due.

## EFFECT OF FAILURE TO PAY ANNUAL REPORT FEE OR TO FILE ANNUAL REPORT

SEC. 85. If any corporation incorporated under this Act, or any corporation which has elected to accept this Act, or any foreign corporation having a certificate of authority issued under this Act, shall for two consecutive years fail or refuse to pay any annual report fee or fees payable under this Act, or fail or refuse to file any annual report as required by this Act for two consecutive years, then, in the case of a domestic corporation, the articles of incorporation shall be void and all powers conferred upon such corporation are declared inoperative, and, in the case of a foreign corporation, the certificate of authority shall be revoked and all powers conferred thereunder shall be inoperative.

## PROCLAMATION OF REVOCATION

SEC. 86. (a) On the second Monday in September of each year, the Commissioners shall issue a proclamation listing the names of all domestic corporations and all foreign corporations which have failed or refused to pay any annual report fee or fees or failed or refused to file any annual report as required by this Act for two consecutive years next preceding June 30 in the year in which such proclamation is issued and upon the issuance of such proclamation the articles of incorporation or the certificate of authority, as the case may be, shall be void and all powers thereunder inoperative without further proceedings of any kind.

(b) The proclamation of the Commissioners shall be filed in their office and shall be published once during the month of September in each of two daily newspapers of general circulation in the District of Columbia.

(c) Upon publication of the proclamation of revocation as provided in this Act each domestic corporation listed in such proclamation shall be deemed to have been dissolved without further legal proceedings and each such corporation shall cease to carry on its business and shall, after paying or adequately providing for the payment of all of its obligations, distribute the remainder of its assets, as in this Act provided with respect to dissolved corporations.

(d) All domestic corporations the articles of incorporation of which are revoked by proclamation or the term of existence of which expires by limitation set forth in its articles of incorporation shall nevertheless be continued for the term of three years from the date of such revocation or expiration bodies corporate for the purpose of prosecuting and defending suits by or against them, and of enabling them to pay, satisfy, and discharge their liabilities and obligations and, after paying or adequately providing for the payment of all its obligations, to distribute the remainder of their assets, as in this Act provided with respect to dissolved corporations, but not for the purpose of continuing to conduct the affairs for which such corporation shall have been organized: *Provided, however,* That with respect to any action, suit, or proceeding begun or commenced by or against a corporation prior to such revocation or expiration and with respect to any action, suit, or proceeding begun or commenced by or against such corporation within three years after the date of such revocation or expiration, such corporation shall only for the purpose of such actions, suits, or proceedings so begun or commenced be continued a body corporate beyond said three-year period and until any judgments, orders, or decrees therein shall be fully executed.

#### PENALTY FOR CONDUCTING AFFAIRS AFTER ISSUANCE OF PROCLAMATION

SEC. 87. Any corporation, person, or persons who shall exercise or attempt to exercise any powers under articles of incorporation of a domestic corporation or under a certificate of authority of a foreign corporation which has been revoked shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding \$500 or by imprisonment not exceeding one year, or both.

#### CORRECTION OF ERROR IN PROCLAMATION

SEC. 88. Whenever it is established to the satisfaction of the Commissioners that any corporation named in said proclamation has not failed or refused to pay any annual report fee or file any annual report for two consecutive years, or has been inadvertently included in the list of corporations as so failing or refusing to pay annual report fees or file reports, the Commissioners are authorized to correct such mistake by issuing a proclamation to that effect and restoring the articles of incorporation or certificate of authority, as the case may be, to good standing with like effect as if such proclamation of revocation, as to such corporation, had not been issued.

#### RESERVATION OF NAME OF PROCLAIMED CORPORATION

SEC. 89. The Commissioners shall reserve the names of all corporations the articles of incorporation of which have been revoked and of all foreign corporations the certificates of authority of which have been revoked until December 31 of the year in which the proclamation of revocation was issued and no domestic corporation shall be formed nor the name of any such domestic corporation changed to a name the same as or deceptively similar to such reserved name nor shall any foreign corporation be authorized to do business under a name the same as or deceptively similar to such reserved name.

## REINSTATEMENT OF PROCLAIMED CORPORATIONS

SEC. 90. (a) A domestic corporation, the articles of incorporation of which have been revoked, may at any time after the date of the issuance of the proclamation of revocation deliver to the Commissioners a petition for reinstatement, in duplicate, accompanied by the delinquent annual report or reports, or payment of delinquent annual report fee or fees in full, or both, as the case may be, plus interest thereon as provided by this Act, together with any penalties imposed by this Act. The Commissioners, if they find that all such documents conform to law, and that the period for reservation of the name has not expired, or if such period has expired, that the name is available for corporate use pursuant to the provisions of this Act, shall file them in their office and shall issue their certificate of reinstatement which shall have the effect of annulling the revocation proceedings theretofore taken as to such corporation and such corporation shall have such powers, rights, duties, and obligations as it had at the time of the issuance of the proclamation with the same force and effect as to such corporation as if the proclamation had not been issued.

(b) If the petition for reinstatement of a proclaimed corporation is delivered to the Commissioners after the period for reservation of the name has expired and if they find that the name is not available for corporate use pursuant to the provisions of this Act, then, in addition to complying with the provisions of the preceding paragraph the proclaimed corporation shall set forth in its petition for reinstatement its name at the time its articles of incorporation were proclaimed void and the new name by which the corporation will thereafter be known, which shall be a name available for corporate use pursuant to the provisions of this Act.

(c) A foreign corporation whose certificate of authority has been revoked shall, upon reentering the District, comply with all of the requirements of law applicable to an original application for a certificate of authority, including the payment of the filing fee for filing an application for a certificate of authority, but it need not file again a copy of its articles of incorporation or any amendment thereof that is then on file with the Commissioners. After the revocation of the certificate of authority of a foreign corporation, the Commissioners shall retain the articles of incorporation and amendments theretofore filed and the original application for a certificate of authority for a period of ten years.

## PENALTIES IMPOSED UPON CORPORATIONS

SEC. 91. Each corporation, domestic or foreign, that fails or refuses to file its annual report for any year within the time prescribed by this Act shall be subject to a penalty of \$5 to be assessed by the Commissioners.

## FEES FOR FILING DOCUMENTS AND ISSUING CERTIFICATES

SEC. 92. The Commissioners shall charge and collect for—

- (a) filing articles of incorporation and issuing a certificate of incorporation, \$10;
- (b) filing articles of amendment and issuing a certificate of amendment, \$5;
- (c) filing articles of merger or consolidation and issuing a certificate of merger or consolidation, \$5;
- (d) filing a statement of change of address or registered office or change of registered agent, or both, \$1;

- (e) filing articles of dissolution, \$1;
- (f) filing an application for reservation of a corporate name or for a renewal of reservation, \$5;
- (g) filing notice of transfer of a reserved corporate name, \$5;
- (h) filing statement of election to accept this Act and issuing certificate of acceptance, \$10;
- (i) filing an application of a foreign corporation for a certificate of authority to conduct affairs in the District and issuing a certificate of authority, \$10;
- (j) filing an application of a foreign corporation for an amended certificate of authority to conduct affairs in the District and issuing an amended certificate of authority, \$5;
- (k) filing a copy of an amendment to the articles of incorporation of a foreign corporation holding a certificate of authority to conduct affairs in the District, \$5;
- (l) filing a copy of articles of merger of a foreign corporation holding a certificate of authority to conduct affairs in the District, \$5;
- (m) filing an application for withdrawal of a foreign corporation and issuing a certificate of withdrawal, \$1;
- (n) filing application for reinstatement of a domestic or foreign corporation and issuing certificate of reinstatement, \$10;
- (o) filing any other statement or report, including an annual report, of a domestic or foreign corporation, \$1;
- (p) indexing each document filed, except an annual report, \$2;
- (q) furnishing a certified copy of any document, instrument, or paper relating to a corporation, \$5;
- (r) furnishing a certificate as to the existence or nonexistence of a fact relating to a corporation, \$1;
- (s) The Commissioners are authorized to make regulations providing for reasonable fees for other services not listed in this section.

#### COMMISSIONERS: DUTIES AND FUNCTIONS

SEC. 93. (a) The Commissioners shall have the power and authority reasonably necessary to enable them to administer this Act efficiently and to perform the duties therein imposed upon them.

(b) The Commissioners shall be charged with the administration and enforcement of this Act. Said Commissioners are authorized to employ such personnel as may be necessary for the administration of this Act, within appropriations made by Congress. The compensation of such personnel shall be fixed in accordance with the provisions of the Classification Act of 1949, as amended.

(c) The Commissioners may transfer any or all of the functions vested in them by this Act to any agent designated by them pursuant to law. It shall be the duty of any officer or agency of the government of the District of Columbia to perform any function delegated to such officer or agency by the Commissioners pursuant to this Act.

(d) Every certificate and other document or paper executed by the Commissioners, in pursuance of any authority conferred upon them by this Act, and sealed with the seal prescribed by subsection (c) of section 120 of the District of Columbia Business Corporation Act, and all copies of such papers, as well as of documents and other papers filed in accordance with the provisions of this Act, when certified by them and authenticated by said seal, shall have the same force and effect as evidence as would the originals thereof in any action or proceeding in any court and before a public officer, or official body.

(e) The Commissioners are authorized to make, modify, and enforce such regulations as they may deem necessary to carry out the provisions

63 Stat. 954.  
5 USC 1071 note.

68 Stat. 228.  
D. C. Code  
29-935.

of this Act, prescribe penalties for the violation of any such regulation not exceeding a fine of \$300 or imprisonment for ninety days, or both, and to prescribe such forms and procedures for use in the conduct of the business of any office or agency established by them as they may deem appropriate.

#### APPEAL FROM COMMISSIONERS

SEC. 94. (a) If the Commissioners shall fail to approve any articles of incorporation, amendment, merger, consolidation, or dissolution, or any other document required by this Act to be approved by the Commissioners before the same shall be filed in their office, they shall, within ten days after the delivery thereof to them, give written notice of their disapproval to the person or corporation, domestic or foreign, delivering the same, specifying the reasons therefor. From such disapproval such person or corporation may appeal to the United States District Court for the District of Columbia by filing with the clerk of such court a petition setting forth a copy of the articles or other document sought to be filed and a copy of the written disapproval thereof by the Commissioners; whereupon the matter shall be tried de novo by the court, and the court shall either sustain the action of the Commissioners or direct them to take such action as the court may deem proper.

(b) If the Commissioners shall revoke the certificate of authority to conduct affairs in the District of any foreign corporation, pursuant to the provisions of this Act, such foreign corporation may likewise appeal to the United States District Court for the District of Columbia by filing with the clerk of such court a petition setting forth a copy of its certificate of authority to conduct affairs in the District and a copy of the notice of revocation given by the Commissioners; whereupon the matter shall be tried de novo by the court, and the court shall either sustain the action of the Commissioners or direct them to take such action as the court may deem proper.

Appeals from all final orders and judgments entered by the United States District Court for the District of Columbia under this section in review of any ruling or decision of the Commissioners may be taken as in other civil actions.

#### CERTIFICATES AND CERTIFIED COPIES TO BE RECEIVED IN EVIDENCE

SEC. 95. All certificates issued by the Commissioners in accordance with the provisions of this Act, and all copies of documents filed in their office in accordance with the provisions of this Act when certified by them, shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the facts therein stated. A certificate by the Commissioners under the seal of their office, as to the existence or nonexistence of the facts relating to corporations which would not appear from a certified copy of any of the foregoing documents or certificates shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the existence or nonexistence of the facts therein stated.

#### FORMS TO BE FURNISHED BY COMMISSIONERS

SEC. 96. All reports required by this Act to be filed in the office of the Commissioners shall be made on forms which shall be prescribed and furnished by the Commissioners. Forms for all other documents to be filed in the office of the Commissioners shall be furnished by the Commissioners on request therefor, but the use thereof, unless otherwise specifically prescribed in this Act, shall not be mandatory.

## GREATER VOTING REQUIREMENTS

SEC. 97. Whenever, with respect to any action to be taken by the members or directors of a corporation, the articles of incorporation require the vote or concurrence of a greater proportion of the members or directors, as the case may be, than required by this Act with respect to such action, the provisions of the articles of incorporation shall control.

## WAIVER OF NOTICE

SEC. 98. Whenever any notice is required to be given to any member or director of a corporation under the provisions of this Act or under the provisions of the articles of incorporation or bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection also waives notice.

## ACTION BY MEMBERS OR DIRECTORS WITHOUT A MEETING

SEC. 99. Any action required by this Act to be taken at a meeting of the members or directors of a corporation, or any action which may be taken at a meeting of the members or directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, or all of the directors, as the case may be.

Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any articles or document filed with the Commissioners under this Act.

## UNAUTHORIZED ASSUMPTION OF CORPORATE POWERS

SEC. 100. All persons who assume to act as a corporation without authority so to do shall be jointly and severally liable for all debts and liabilities incurred or arising as a result thereof.

## PROCEDURE TO ELECT TO ACCEPT ACT

SEC. 101. Any corporation which is organized and existing under the laws of the District of Columbia or under any special Act of Congress on the date this Act takes effect, and which is organized not for profit, and is without authority to issue shares of stock, and is organized for a purpose or purposes for which a corporation may be organized under the provisions of this Act may elect to avail itself of the provisions of this Act in the following manner:

(a) Where there are members having voting rights, the board of directors shall adopt a resolution recommending that the corporation accept this Act and directing that the question of such acceptance be submitted to a vote at a meeting of the members having voting rights, which may be either an annual meeting or a special meeting. Written or printed notice setting forth the proposal to accept this Act shall be given to each member entitled to vote at such meeting within the time and in the manner provided in this Act for the giving of notice of meetings of members. The proposal to elect to accept this Act shall be adopted upon receiving at least two-thirds of the vote entitled to be cast by members present or represented by proxy at such meeting.

(b) Where there are no members, or no members having voting rights, the election to accept this Act may be adopted at a meeting of the board of directors upon receiving the vote of at least a majority of the directors in office.

## STATEMENT OF ELECTION TO ACCEPT THIS ACT

SEC. 102. The statement of election to accept this Act shall be executed in duplicate by the corporation by its president or vice president, and the corporate seal shall be thereto affixed, attested by its secretary, or an assistant secretary, and shall set forth—

- (a) the name of the corporation;
- (b) a statement by the corporation that it has elected to accept this Act;
- (c) where there are members having voting rights—
  - (1) a statement setting forth the date of the meeting of the members at which the election to accept this Act was adopted; that a quorum was present at such meeting, and that such acceptance received the affirmative vote of at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting, or
  - (2) a statement that such election to accept this Act was adopted by a consent, in writing, signed by all members entitled to vote with respect thereto;
- (d) where there are no members or no members having voting rights, a statement of such fact, the date of the meeting of the board of directors at which the election to accept this Act was adopted, and the statement of the fact that such acceptance received the vote of a majority of the directors in office;
- (e) the purpose or purposes (which may be different from its existing purposes) which it will thereafter pursue, and shall not include any purpose prohibited to a corporation organized under this Act;
- (f) if the corporation has no members, a statement to that effect;
- (g) if the corporation has members, there shall be set forth—
  - (1) the number of classes of members;
  - (2) if there is more than one class of members, a statement of the qualifications and rights and limitations of each class of members;
  - (3) if members, or any class or classes of members, are not entitled to vote, a statement to that effect;
  - (4) if members, or any class or classes of members are entitled to vote, a statement setting forth the voting rights and of any limitation or limitations thereof of members or of any class or classes thereof;
- (h) any other provision, not inconsistent with law, or this Act, for the regulation of the internal affairs of the corporation;
- (i) the address, including street and number, if any, of its registered office in the District of Columbia and the name of its registered agent at such address;
- (j) the names and respective addresses, including street and number, if any, of its officers and directors;
- (k) it shall not be necessary to set forth in the statement of election to accept this Act any of the corporate purposes enumerated in this Act. Whenever a provision in the statement of election to accept this Act is inconsistent with a bylaw, the provision of the statement of election to accept this Act shall be controlling.

## FILING OF STATEMENT OF ELECTION TO ACCEPT THIS ACT

SEC. 103. (a) Duplicate originals of the statement of election to accept this Act shall be delivered to the Commissioners.



(b) If the Commissioners find that the statement of election to accept this Act conforms to law, they shall, when all fees and charges have been paid as in this Act prescribed—

- (1) endorse on each of such duplicate originals the word "Filed", and the month, day, and year of the filing thereof;
- (2) file one of such duplicate originals in their office;
- (3) issue a certificate of acceptance, to which they shall affix the other duplicate original;
- (4) deliver such certificate of acceptance with the other duplicate original affixed thereto to the corporation or its representative.

#### EFFECT OF CERTIFICATE OF ACCEPTANCE

SEC. 104. (a) Upon the issuance of a certificate of acceptance as hereinbefore provided, the election of the corporation to accept this Act shall become effective and the existence of the corporation shall be continued under this Act and such certificate shall be conclusive evidence that all conditions precedent required to be performed under this Act have been complied with and that the corporation has elected to accept the provisions of this Act and the corporation shall be entitled to and be possessed of all of the privileges and powers and franchises and be subject to all of the provisions of this Act as fully and to the same extent as if such corporation had been originally incorporated under this Act; and all privileges, franchises, and powers theretofore belonging to said corporation and all property, real, personal, and mixed, and all debts due on whatever account, and all choses in action, and all and every other interest of or belonging to or due such corporation shall be and the same are hereby ratified, approved and confirmed and assured to such corporation with like effect and to all intents and purposes as if the same had been originally acquired through incorporation under this Act; but no contract, debt, claim, duty, liability, or obligation of any corporation to which a certificate of acceptance has been issued shall be affected or impaired in any way nor shall the rights of creditors or any liens upon the property of such corporation be affected or impaired by such election to accept this Act.

(b) Neither the issuance of a certificate of acceptance to a corporation created under the provisions of a special Act of Congress, nor the adoption of any amendment pursuant to this Act, shall release or terminate any duty or obligation expressly imposed upon any such corporation under and by virtue of the special Act of Congress under which it was created or any amendment made thereto, nor enlarge any right, power, or privilege granted any such corporation by such special Act except to the extent that such right, power, or privilege might have been included in the articles of incorporation of a corporation organized under this Act.

#### ACTIONS TO BE IN NAME OF DISTRICT OF COLUMBIA

SEC. 105. All civil actions under this Act which the Commissioners are authorized to commence, and all prosecutions for violations of the provisions of this Act or of regulations promulgated under the authority of this Act, shall be brought in the name of the District of Columbia by the Corporation Counsel of the District of Columbia. As used in this Act the term "Corporation Counsel" means the attorney for the District, by whatever title such attorney may be known, designated by the Commissioners to perform the functions prescribed for the Corporation Counsel in this Act.

## RIGHT OF REPEAL RESERVED

SEC. 106. Congress reserves the right to alter, amend, or repeal this Act, or any part thereof, or any certificate of incorporation or certificate of authority issued pursuant to its provisions.

## ACT NOT TO AFFECT INTERNAL REVENUE CODE OF 1954

SEC. 107. Nothing in this Act shall be construed as repealing or affecting any provision of the Internal Revenue Code of 1954.

## EFFECT OF INVALIDITY OF PART OF THIS ACT

SEC. 108. If a court of competent jurisdiction shall adjudge to be invalid or unconstitutional any clause, sentence, paragraph, section, or part of this Act, such judgment or decree shall not affect, impair, invalidate, or nullify the remainder of this Act, but the effect thereof shall be confined to the clause, sentence, paragraph, section, or part of this Act so adjudged to be invalid or unconstitutional.

## EFFECT OF FALSE STATEMENT

SEC. 109. A person who signs any instrument delivered to the Commissioners pursuant to this Act, knowing it to contain a misstatement of fact, shall be guilty of a misdemeanor and shall be punished by a fine not exceeding \$500 or by imprisonment for not exceeding one year, or by both such fine and imprisonment.

## EFFECTIVE DATE

SEC. 110. This Act shall take effect one hundred and eighty days after the date of its approval.

## APPROPRIATION OF FUNDS

SEC. 111. There are hereby authorized to be appropriated from any moneys in the Treasury of the United States to the credit of the District of Columbia, such amounts as may be necessary to carry into effect the provisions of this Act.

Approved August 6, 1962.

## Public Law 87-570

## AN ACT

August 6, 1962  
[H. R. 11735]

Authorizing the change in name of the Beardstown, Illinois, flood control project, to the Sid Simpson flood control project.

Illinois.  
Sid Simpson  
flood control project,  
designation.  
64 Stat. 175.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Beardstown flood control project, Illinois River, Illinois, authorized by the Flood Control Act of May 17, 1950, in accordance with the provisions of House Document Numbered 332, Eighty-first Congress, shall hereafter be known and designated as the Sid Simpson flood control project in honor of the late Representative Sid Simpson. Any law, regulation, document, or record of the United States in which such project is designated or referred to under the name of the Beardstown, Illinois, flood control project, shall be held and considered to refer to such project by the name of Sid Simpson flood control project.

Approved August 6, 1962.

## Public Law 87-571

## AN ACT

To permit the use of certain construction tools actuated by explosive charges in construction activity on the United States Capitol Grounds.

August 6, 1962  
[H. R. 8214]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6 of the Act entitled "An Act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes", approved July 31, 1946 (60 Stat. 718; 40 U.S.C. 193f), is amended by adding at the end thereof the following new sentence: "Nothing contained in this Act shall prevent the use, in the construction of any structure or facility on the United States Capitol Grounds, of any construction tool actuated by or employing explosive charges, if (1) that tool is of a kind and design ordinarily used for such construction, (2) the Architect of the Capitol has authorized its use upon such grounds after determining that its use will not endanger human life or safety, and (3) such use is in accordance with rules and regulations prescribed by the Architect of the Capitol."

U. S. Capitol  
Grounds.  
Construction  
tools.

Approved August 6, 1962.

## Public Law 87-572

## AN ACT

To amend section 216 of title 38, United States Code, relating to prosthetic research in the Veterans' Administration.

August 6, 1962  
[H. R. 10069]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (c) of section 216, title 38, United States Code, is amended to read as follows:

Veterans.  
Prosthetic re-  
search.  
72 Stat. 1116.

"(c) There are authorized to be appropriated annually, to remain available until expended, such funds as may be necessary to carry out this section."

Approved August 6, 1962.

## Public Law 87-573

## AN ACT

To amend section 130(a) of title 28, United States Code, so as to reconstitute the Eastern Judicial District of Wisconsin to include Menominee County, Wisconsin.

August 6, 1962  
[H. R. 10184]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 130 of title 28, United States Code, is amended to read as follows:

Wisconsin.  
Eastern Judicial  
District.  
62 Stat. 894.

"(a) The Eastern District comprises the counties of Brown, Calumet, Dodge, Door, Florence, Fond du Lac, Forest, Green Lake, Kenosha, Kewaunee, Langlade, Manitowoc, Marinette, Marquette, Menominee, Milwaukee, Oconto, Outagamie, Ozaukee, Racine, Shawano, Sheboygan, Walworth, Washington, Waukesha, Waupaca, Waushara, and Winnebago.

"Court for the Eastern District shall be held at Green Bay, Milwaukee, and Oshkosh."

Approved August 6, 1962.

## Public Law 87-574

## AN ACT

August 6, 1962  
[H. R. 8992]

To amend certain administrative provisions of title 38, United States Code, relating to the Department of Medicine and Surgery in the Veterans' Administration.

Veterans' Ad-  
ministration.  
Dept. of Medi-  
cine and Surgery.  
72 Stat. 1116.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 38 of the United States Code is amended as follows:

(1) Section 233 is amended—

(A) by adding the following at the end of the catchline:  
“; **personal property**”;

(B) by striking out “and” at the end of subparagraph (3) and inserting “; and” in lieu of the period at the end of subparagraph (4); and

(C) by adding the following new subparagraph:

“(5) reimburse employees for the cost of repairing or replacing their personal property damaged or destroyed by patients or domiciliary members while such employees are engaged in the performance of their official duties.”

(2) The analysis of chapter 3 regarding section 233 is amended by inserting the following before the period at the end thereof:  
“; personal property”.

SEC. 2. Chapter 17 of title 38 of the United States Code is amended as follows:

(1) By adding at the end of subchapter II the following new section:

**“§ 618. Therapeutic and rehabilitative activities**

“The Administrator, upon the recommendation of the Chief Medical Director, may utilize the services of patients and members in Veterans' Administration hospitals and domiciliaries for therapeutic and rehabilitative purposes, at nominal remuneration, and such patients and members shall not under these circumstances be held or considered as employees of the United States for any purpose. The Administrator shall prescribe the conditions for the utilization of such services.”

(2) The analysis of subchapter II is amended by inserting immediately below

“617. Invalid lift for pensioners.”

the following:

“618. Therapeutic and rehabilitative activities.”

SEC. 3. Section 4108(a) of title 38 of the United States Code is amended as follows:

“(a) Within the restrictions herein imposed, the Chief Medical Director may rate any physician appointed under paragraph (1) of section 4104, or on a temporary full-time or part-time basis under section 4114(a), of this title as a medical or surgical specialist, and, upon the recommendation of the Assistant Chief Medical Director for Dentistry, may rate any doctor of dental surgery or dental medicine, appointed under paragraph (1) of section 4104, or on a temporary full-time or part-time basis under section 4114(a), of this title as a dental specialist; however, no person shall at any time hold more than one such rating.”

SEC. 4. Title 38 of the United States Code is further amended as follows:

(1) Section 4105 is amended by inserting immediately after the words “United States” in paragraph (1) the following: “, except as provided in section 4114”.

Employees' per-  
sonal property.  
Reimbursement  
for damage.

Hospitals.  
Patients and  
members.  
Utilization of  
services.

38 USC 610-617.

Specialist rat-  
ings.  
Part-time per-  
sonnel.  
72 Stat. 1246.

72 Stat. 1244.  
Post, p. 309.

72 Stat. 1244.

(2) Section 4114 is amended—

72 Stat. 1247.

(A) by adding the following at the end of the catchline: **“; residencies and internships”;**

(B) by amending subsection (a) to read as follows:

“(a) (1) The Administrator, upon the recommendation of the Chief Medical Director, may employ, without regard to civil service or classification laws, rules, or regulations—

Medical support programs.  
Employment of trainees.

“(A) physicians, dentists, nurses, dietitians, social workers, librarians, and other professional, clerical, technical, and unskilled personnel (including interns, residents, trainees, and students in medical support programs) on a temporary full-time or part-time basis; and

“(B) physicians, dentists, nurses, and other professional and technical personnel on a fee basis.

“(2) Personnel employed under paragraph (1) of this subsection shall be in addition to personnel described in section 4103, paragraph (1) of section 4104, and section 4111 of this title and shall be paid such rates of pay as the Administrator may prescribe.

72 Stat. 1243;  
74 Stat. 300.  
72 Stat. 1244,  
1247.

“(3) (A) Temporary full-time appointments of physicians, dentists, and nurses may exceed ninety days only if the Chief Medical Director finds that circumstances render it impracticable to obtain the necessary services through appointments under paragraph (1) of section 4104 of this title. Temporary full-time appointments of other personnel shall not exceed ninety days.

Appointments of physicians, etc.  
Duration extended.

“(B) No part-time appointment shall be for a period of more than one year, except for appointments of physicians, dentists, nurses and interns, and residents and other trainees in medical support programs.”

(C) By adding the following new subsection:

“(c) When the Chief Medical Director determines that it is not possible to recruit qualified citizens for the necessary services, appointments under this section may be made without regard to the citizenship requirements of section 4105 of this title or of any other law prohibiting the employment of, or payment of compensation to, a person who is not a citizen of the United States.”

Employment of noncitizens.

(3) The analysis of chapter 73 regarding section 4114 is amended by inserting the following before the period at the end thereof: “; residencies and internships”.

72 Stat. 1244.

38 USC 4101-4115.

SEC. 5. Section 4103 of title 38, United States Code, is amended—

(1) by striking out the word “Any” at the beginning of subsection (g) and inserting in lieu thereof “Except as provided in subsection (i), any”; and

(2) by adding at the end thereof a new subsection as follows:

“(i) The Administrator may designate a member of the Chaplain Service of the Veterans Administration as Director, Chaplain Service, for a period of two years, subject to removal by the Administrator for cause. During the period that any such member serves as Director, Chaplain Service, he shall be paid a salary, as determined by the Administrator, within the minimum and maximum salary limitations prescribed for Grade GS-15 positions by the Classification Act of 1949, as amended. Redesignations under this subsection may be made for successive like periods. An individual designated as Director, Chaplain Service, shall at the end of his period of service as Director revert to the position, grade, and status which he held immediately prior to being designated Director, Chaplain Service, and all service as Director, Chaplain Service, shall be creditable as service in the former position.”

Director, Chaplain Service.

74 Stat. 298.  
5 USC 1113.

Approved August 6, 1962.

## Public Law 87-575

## AN ACT

August 6, 1962  
[H. R. 10526]

Making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending June 30, 1963, and for other purposes.

Treasury-Post  
Office Depart-  
ments and Execu-  
tive Office Appro-  
priation Act, 1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending June 30, 1963, namely:

## TITLE I—TREASURY DEPARTMENT

## OFFICE OF THE SECRETARY

## SALARIES AND EXPENSES

60 Stat. 810.

For necessary expenses in the Office of the Secretary, including the operation and maintenance of the Treasury Building and Annex thereof; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and the purchase of uniforms for elevator operators; \$4,510,000.

## BUREAU OF ACCOUNTS

## SALARIES AND EXPENSES

For necessary expenses of the Bureau of Accounts, \$3,800,000.

## SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

For necessary expenses of the Division of Disbursement, \$26,500,000.

## BUREAU OF CUSTOMS

## SALARIES AND EXPENSES

68 Stat. 1114.

60 Stat. 810.

67 Stat. 577.

For necessary expenses of the Bureau of Customs, including purchase of sixty passenger motor vehicles (of which fifty shall be for replacement only) including fifty for police-type use which may exceed by \$300 each the general purchase price limitation for the current fiscal year; uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and awards of compensation to informers as authorized by the Act of August 13, 1953 (22 U.S.C. 401); \$64,775,000.

## BUREAU OF ENGRAVING AND PRINTING

## AIR-CONDITIONING THE BUREAU OF ENGRAVING AND PRINTING BUILDINGS

For necessary expenses in connection with air-conditioning the Bureau of Engraving and Printing Buildings, \$300,000, to remain available until expended.

## BUREAU OF THE MINT

## SALARIES AND EXPENSES

For necessary expenses of the Bureau of the Mint, including purchase and maintenance of uniforms and accessories for guards; and not to exceed \$1,000 for the expenses of the annual assay commission; \$6,480,000.

## BUREAU OF NARCOTICS

## SALARIES AND EXPENSES

For necessary expenses of the Bureau of Narcotics, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and hire of passenger motor vehicles; \$4,580,000.

60 Stat. 810.

## BUREAU OF THE PUBLIC DEBT

## ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$47,750,000.

## COAST GUARD

## OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for, including hire of passenger motor vehicles; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase of not to exceed thirty-two passenger motor vehicles for replacement only; maintenance, operation, and repair of aircraft; recreation and welfare; and uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); \$220,000,000: *Provided*, That the number of aircraft on hand at any one time shall not exceed one hundred and thirty-eight exclusive of planes and parts stored to meet future attrition: *Provided further*, That amounts equal to the obligated balances against the appropriations for "Operating expenses" for the two preceding years, shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this appropriation: *Provided further*, That except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), this appropriation shall be available for expenses of primary and secondary schooling for dependents of Coast Guard personnel stationed outside the continental United States in amounts not exceeding an average of \$275 per student, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and the Coast Guard may provide for the transportation of said dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation.

60 Stat. 810.

68 Stat. 1114.

64 Stat. 1100.

## ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$33,330,000,

60 Stat. 810.

to remain available until expended: *Provided*, That repayment may be made to other Coast Guard appropriations for expenses incurred in support of activities carried out under this appropriation.

#### RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Uniformed Services Contingency Option Act of 1953, \$32,350,000.

67 Stat. 501.  
37 USC 371-381  
notes.

#### RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law (14 U.S.C. 751-762; 37 U.S.C. 231-319), including repayment to other Coast Guard appropriations for indirect expenses, for regular personnel, or reserve personnel while on active duty, engaged primarily in administration and operation of the reserve program; for maintenance and operation of facilities; for supplies, equipment, and services; and the maintenance, operation, and repair of aircraft; \$16,500,000: *Provided*, That amounts equal to the obligated balances against the appropriations for "Reserve training" for the two preceding years shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this appropriation.

63 Stat. 551;  
70A Stat. 624;  
63 Stat. 804.

#### INTERNAL REVENUE SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, including purchase (not to exceed two hundred for replacement only, of which one hundred for police-type use may exceed by \$300 each the general purchase price limitation for the current fiscal year) and hire of passenger motor vehicles; and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), and of expert witnesses at such rates as may be determined by the Commissioner, including not to exceed \$12,300,000 for temporary employment; \$486,000,000.

60 Stat. 810.

#### OFFICE OF THE TREASURER

##### SALARIES AND EXPENSES

For necessary expenses of the Office of the Treasurer, \$16,450,000.

#### UNITED STATES SECRET SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed eighty-one for police-type use which may exceed by \$300 each the general purchase price limitation for the current fiscal year, of which fifty-four are for replacement only) and hire of passenger motor vehicles, \$5,475,000.

##### SALARIES AND EXPENSES, WHITE HOUSE POLICE

For necessary expenses of the White House Police, including uniforms and equipment, and for performing such protective duties in the White House areas of the Executive Office Building as the Secretary may prescribe, \$1,216,000.



## SALARIES AND EXPENSES, GUARD FORCE

For necessary expenses of the guard force for Treasury Department buildings in the District of Columbia, including purchase, repair, and cleaning of uniforms, \$369,000.

## FUND FOR PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

To reduce the impairment in the capital of the "Fund for payment of Government losses in shipment", in accordance with section 2 of the Act approved July 8, 1937 (5 U.S.C. 134a), to remain available until expended, \$525,000, to be derived by transfer from the account "Unclaimed partial payments on United States saving bonds."

50 Stat. 479.

## LIQUIDATION OF CORPORATE ASSETS

The Secretary of the Treasury is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available therefor and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the current fiscal year for the Reconstruction Finance Corporation Liquidation Activities.

61 Stat. 584.  
31 USC 849.

This title may be cited as the "Treasury Department Appropriation Act, 1963".

Citation of title.

## TITLE II—POST OFFICE DEPARTMENT

## CONTRIBUTION TO THE POSTAL FUND

For administration and operation of the Post Office Department and the postal service, there is hereby appropriated the aggregate amount of postal revenues for the current fiscal year, as authorized by law (39 U.S.C. 2201-2202), together with an amount equal to the difference between such revenues and the total of the appropriations hereinafter specified and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General, for the following purposes, namely:

74 Stat. 594.

## CURRENT AUTHORIZATIONS OUT OF POSTAL FUND

## ADMINISTRATION AND REGIONAL OPERATION

For expenses, not otherwise provided for, necessary for administration of the postal service, operation of the inspection service and regional offices, uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131), including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); management studies; not to exceed \$25,000 for miscellaneous and emergency expenses (including not to exceed \$6,000 for official reception and representation expenses upon approval by the Postmaster General); rewards for information and services concerning violations of postal laws and regulations, current and prior fiscal years, in accordance with regulations of the Postmaster General in effect at the time the services are rendered or information furnished; expenses of delegates designated by the Postmaster General to attend meetings and congresses for the purpose of making postal arrangements with foreign governments pursuant to law, and not to exceed \$20,000 of such expenses to be accounted for solely on the certificate of

68 Stat. 1114.

60 Stat. 810.

the Postmaster General; and not to exceed \$25,000 for rewards for information and services as provided for herein, shall be paid in the discretion of the Postmaster General and accounted for solely on his certificate; and settlement of claims, pursuant to law, current and prior fiscal years, for damages, and for losses resulting from unavoidable casualty; \$75,600,000.

#### RESEARCH, DEVELOPMENT, AND ENGINEERING

60 Stat. 810.

For expenses, not otherwise provided for, necessary for administration and conduct of a research, development, and engineering program, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), and including not to exceed \$2,000,000 for reimbursement of additional costs incurred by contractors under prior year cost reimbursable contracts in addition to current increases in prior year orders or contracts as a result of changes in plans under such program, \$12,000,000, to remain available until expended.

#### OPERATIONS

68 Stat. 1114.

For expenses necessary for postal operations, not otherwise provided for, including uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); for repair of vehicles owned by, or under control of, units of the National Guard and departments and agencies of the Federal Government where repairs are made necessary because of utilization of such vehicles in the postal service, and for other activities conducted by the Post Office Department pursuant to law; \$3,535,000,000: *Provided*, That not to exceed 5 per centum of any appropriation available to the Post Office Department for the current fiscal year may be transferred, with the approval of the Bureau of the Budget, to any other such appropriation or appropriations; but the appropriation "Administration and regional operation" shall not be increased by more than \$1,000,000 as a result of such transfers: *Provided further*, That functions financed by the appropriations available to the Post Office Department for the current fiscal year and the amounts appropriated therefor, may be transferred, in addition to the appropriation transfers otherwise authorized in this Act and with the approval of the Bureau of the Budget, between such appropriations to the extent necessary to improve administration and operations: *Provided further*, That Federal Reserve banks and branches may be reimbursed for expenditures as fiscal agents of the United States on account of Post Office Department operations.

#### TRANSPORTATION

For payments for transportation of domestic and foreign mails by air, land, and water transportation facilities, including current and prior fiscal years settlements with foreign countries for handling of mail, \$594,500,000.

#### FACILITIES

68 Stat. 1114.

For expenses, not otherwise provided for, necessary for the operation of postal facilities, buildings, and field postal communication service; uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); procurement of stamps and accountable paper, and postal supplies; and storage of vehicles owned by, or under control of, units of the National Guard and departments and agencies of the Federal Government; \$167,000,000.

## PLANT AND EQUIPMENT

For expenses, not otherwise provided for, necessary for modernization and acquisition of equipment and facilities for postal purposes, including not to exceed \$2,000,000 for increases in prior year orders placed with other Government agencies in addition to current increases in prior year orders or contracts made as a result of changes in plans, \$120,000,000: *Provided*, That the funds herein appropriated shall be available for repair, alteration, and improvement of the mail equipment shops at Washington, District of Columbia, and for payment to the General Services Administration for the repair, alteration, preservation, renovation, improvement, and equipment of federally owned property used for postal purposes, including improved lighting, color, and ventilation for the specialized conditions in space occupied for postal purposes.

This title may be cited as the "Post Office Department Appropriation Act, 1963".

Citation of title.

## TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

## COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by the Act of January 19, 1949 (3 U.S.C. 102), \$150,000.

53 Stat. 4.

## THE WHITE HOUSE OFFICE

## SALARIES AND EXPENSES

For expenses necessary for the White House Office, including not to exceed \$215,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; newspapers, periodicals, teletype news service, and travel, and official entertainment expenses of the President, to be accounted for solely on his certificate; \$2,545,000.

60 Stat. 810.

## SPECIAL PROJECTS

For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, \$1,500,000: *Provided*, That not to exceed 10 per centum of this appropriation may be used to reimburse the appropriation for "Salaries and expenses, The White House Office", for administrative services: *Provided further*, That not to exceed \$5,000 shall be available for allocation within the Executive Office of the President for official reception and representation expenses.

## EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of this or any other Act, \$658,000.

## BUREAU OF THE BUDGET

## SALARIES AND EXPENSES

60 Stat. 810.

For expenses necessary for the Bureau of the Budget, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$75 per diem for individuals, \$5,650,000.

## COUNCIL OF ECONOMIC ADVISERS

## SALARIES AND EXPENSES

60 Stat. 23.

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), \$584,000.

## NATIONAL SECURITY COUNCIL

## SALARIES AND EXPENSES

60 Stat. 810.

For expenses necessary for the National Security Council, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), and acceptance and utilization of voluntary and uncompensated services, \$550,000.

Citation of title.

This title may be cited as the "Executive Office Appropriation Act, 1963".

## TITLE IV

## FUNDS APPROPRIATED TO THE PRESIDENT

## EMERGENCY FUND FOR THE PRESIDENT

For expenses necessary to enable the President, through such officers or agencies of the Government as he may designate, and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, to provide in his discretion for emergencies affecting the national interest, security, or defense which may arise at home or abroad during the current fiscal year, \$1,000,000: *Provided*, That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-seventh Congress or the first session of the Eighty-eighth Congress, and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

## EXPENSES OF MANAGEMENT IMPROVEMENT

60 Stat. 810.

For expenses necessary to assist the President in improving the management of executive agencies and in obtaining greater economy and efficiency through the establishment of more efficient business methods in Government operations, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$75 per diem, by allocation to any agency or office in the executive branch for the conduct, under the general direction of the Bureau of the Budget, of examinations and appraisals of, and the development and installation of improvements in, the organization and operations of such agency or of other agencies in the executive branch, \$200,000, to remain available until expended, and to be available without regard to the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended.

31 USC 665.

## TITLE V—INDEPENDENT AGENCIES

## TAX COURT OF THE UNITED STATES

## SALARIES AND EXPENSES

For necessary expenses, including contract stenographic reporting services, \$1,784,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

## ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

## SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Act of September 24, 1959 (73 Stat. 703-706), \$375,000.

5 USC 2371-  
2378.

## PRESIDENT'S ADVISORY COMMITTEE ON LABOR-MANAGEMENT POLICY

For necessary expenses of the President's Advisory Committee on Labor-Management Policy, established by Executive Order 10918 of February 16, 1961, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed \$100 per diem, and \$30 per diem in lieu of subsistence for members of the Committee while away from their homes or regular places of business, \$300,000.

29 USC 141  
note.  
60 Stat. 810.

This Act may be cited as the "Treasury—Post Office Departments and Executive Office Appropriation Act, 1963".

Short title.

Approved August 6, 1962.

## Public Law 87-576

## AN ACT

To provide for the transfer of the United States vessel Alaska to the State of California for the use and benefit of the department of fish and game of such State.

August 9, 1962  
[H. R. 3788]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized and directed to convey to the State of California, for the use and benefit of the department of fish and game of such State, all right, title, and interest of the United States in and to the United States vessel Alaska. Such vessel is presently being operated by such department under a ten-year operating agreement entered into on June 22, 1957, between such department and the Secretary of the Interior, and has been extensively repaired and refitted for use as a biological research vessel at the expense of such State.

U. S. vessel  
Alaska.  
Transfer to  
State of Calif.

SEC. 2. The conveyance authorized by this Act shall (1) be conditional upon the State of California paying to the Secretary of the Interior, as consideration for the vessel conveyed, an amount equal to fifty percent of the fair market value of such vessel at the time it was leased by the State of California, as determined by the Secretary of the Interior; and (2) provided that such vessel shall be used for a public purpose and if it should cease to be so used, all right, title, and interest therein shall immediately revert to the United States.

Payment.

Approved August 9, 1962.

## Public Law 87-577

August 9, 1962  
[H. R. 11289]

## AN ACT

Making appropriations for the Department of Defense for the fiscal year ending June 30, 1963, and for other purposes.

Department of  
Defense Approp-  
riation Act, 1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1963, for military functions administered by the Department of Defense, and for other purposes, namely:

## TITLE I

## MILITARY PERSONNEL

## MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except those undergoing reserve training), expenses of apprehension and delivery of deserters, prisoners, and members absent without leave, including payment of rewards of not to exceed \$25 in any one case, \$3,643,300,000, and, in addition \$350,000,000 which shall be derived by transfer from the Army stock fund and the Defense stock fund.

## MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except those undergoing reserve training), midshipmen and aviation cadets, and expenses of apprehension and delivery of deserters, prisoners, and members absent without leave, including payment of rewards of not to exceed \$25 in any one case, \$2,734,700,000, and, in addition \$25,000,000 which shall be derived by transfer from the Navy stock fund and the Defense stock fund.

## MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except those undergoing reserve training), and expenses of apprehension and delivery of deserters, prisoners, and members absent without leave, including payment of rewards of not to exceed \$25 in any one case, \$661,200,000.

## MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except those undergoing reserve training), cadets and aviation cadets, and expenses of apprehension and

delivery of deserters, prisoners, and members absent without leave, including payment of rewards of not to exceed \$25 in any one case, \$4,117,690,000, and, in addition \$70,000,000 which shall be derived by transfer from the Air Force stock fund and the Defense stock fund.

#### RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law, \$239,200,000: *Provided*, That the Army Reserve will be programed to attain an end strength of three hundred thousand for fiscal year 1963: *Provided further*, That insofar as practicable in any reorganization or realinement for the purpose of modernization the number and geographical location of existing units will be maintained.

#### RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Naval Reserve on active duty while undergoing reserve training, or while performing drills or equivalent duty, regular and contract enrollees in the Naval Reserve Officers' Training Corps, and retainer pay, as authorized by law, \$85,600,000.

#### RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve and the Marine Corps platoon leaders class on active duty while undergoing reserve training, or while performing drills or equivalent duty, as authorized by law, \$28,100,000.

#### RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty while undergoing reserve training or while performing drills or equivalent duty, and for members of the Air Reserve Officers' Training Corps, as authorized by law, \$50,100,000.

#### NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 265 of title 10, United States Code, or while undergoing training or while performing drills or equivalent duty, as authorized by law, \$261,800,000: *Provided*, That obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code: *Provided further*, That the Army National Guard will be programed to attain an end strength of four hundred thousand in fiscal year 1963: *Provided further*, That insofar as practicable in any reorganization or realinement for the purpose of modernization the number and geographical location of existing units will be maintained.

70A Stat. 11.

70A Stat. 599.

#### NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under sections 265, 8033, and 8496 of title 10, United States Code, or

70A Stat. 11,  
491, 524.

while undergoing training or while performing drills or equivalent duty, as authorized by law, \$53,000,000: *Provided*, That obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code.

70A Stat. 599.

#### RETIRED PAY, DEFENSE

For retired pay and retirement pay, as authorized by law, of military personnel on the retired lists of the Army, Navy, Marine Corps, and the Air Force, including the reserve components thereof, retainer pay for personnel of the inactive Fleet Reserve, and payments under Chapter 73 of Title 10, United States Code, \$1,029,000,000.

10 USC 1431-1446.

### TITLE II

## OPERATION AND MAINTENANCE

### OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, including administration; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; care of the dead; chaplains' activities; awards and medals; welfare and recreation; recruiting expenses; transportation services; communications services; maps and similar data for military purposes; military surveys and engineering planning; contracts for maintenance of reserve tools and facilities for twelve months beginning at any time during the current fiscal year; repair of facilities; hire of passenger motor vehicles; tuition and fees incident to training of military personnel at civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law; not to exceed \$4,193,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government, \$3,408,345,000, of which not less than \$275,000,000 shall be available only for the maintenance of real property facilities.

### OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, including aircraft and vessels; modification of aircraft; design and alteration of vessels; training and education of members of the Navy; administration; procurement of military personnel; hire of passenger motor vehicles; welfare and recreation; medals, awards, emblems, and other insignia; transportation of things (including transportation of household effects of civilian employees); industrial mobilization; medical and dental care; care of the dead; lease of facilities; charter and hire of vessels; relief of vessels in distress; maritime salvage services; military communications facilities on merchant vessels; dissemination of scientific information; administration of patents, trademarks, copyrights; annuity premiums and retirement benefits for civilian members of teaching services; tuition, allowances, and fees incident to training of military personnel at civilian institutions; repair of facilities; departmental salaries; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for the enlisted men; procurement of services, special clothing, sup-



plants; exploration, prospecting, conservation, development, use, and operation of the naval petroleum reserves, as authorized by law and not to exceed \$6,000,000 for emergency and extraordinary expenses, as authorized by section 7202 of title 10, United States Code, to be expended on the approval and authority of the Secretary and his determination shall be final and conclusive upon the accounting officers of the Government; \$2,836,292,000, of which not less than \$163,526,000 shall be available only for the maintenance of real property facilities, \$1,100,000 shall be transferred to the appropriation "Salaries and expenses", Weather Bureau, Department of Commerce, fiscal year 1963; and \$16,980,000 shall be transferred to the appropriation, "Operating expenses", Coast Guard, fiscal year 1963; for the operation of ocean stations.

70A Stat. 442.

#### OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, necessary for the operation and maintenance of the Marine Corps including equipment and facilities; procurement of military personnel; training and education of regular and reserve personnel, including tuition and other costs incurred at civilian schools; welfare and recreation; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for the enlisted men; procurement and manufacture of military supplies, equipment, and clothing; hire of passenger motor vehicles; transportation of things; medals, awards, emblems and other insignia; operation of station hospitals, dispensaries and dental clinics; and departmental salaries; \$192,500,000, of which not less than \$21,318,000 shall be available only for the maintenance of real property facilities; and not to exceed \$2,000,000 is to be available only for the payment of a connection charge to the Beaufort-Jasper Water Authority.

#### MARINE CORPS STOCK FUND

For the Marine Corps Stock Fund, \$15,000,000, to be derived by transfer from the Navy Stock Fund.

#### OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation, maintenance, and administration of the Air Force, including the Air Force Reserve and the Air Reserve Officers' Training Corps; operation, maintenance, and modification of aircraft and missiles; transportation of things, repair and maintenance of facilities; field printing plants; hire of passenger motor vehicles; recruiting advertising expenses; training and instruction of military personnel of the Air Force, including tuition and related expenses; pay, allowances, and travel expenses of contract surgeons; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property and other necessary expenses of combat maneuvers; care of the dead; chaplain and other welfare and morale supplies and equipment; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men and patients not otherwise provided for; awards and decorations; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; special services by contract or otherwise; and not to exceed \$6,000,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive

31 USC 529.

upon the accounting officers of the Government; \$4,365,644,000, of which not less than \$269,200,000 shall be available only for the maintenance of real property facilities.

#### OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments and the Office of Civil Defense), including administration; hire of passenger motor vehicles; welfare and recreation; awards and decorations; travel expenses, including expenses of temporary duty travel of military personnel; transportation of things (including transportation of household effects of civilian employees); industrial mobilization; care of the dead; lease of buildings and facilities; dissemination of scientific information; administration of patents, trademarks, and copyrights; tuition and fees incident to the training of military personnel at civilian institutions; repair of facilities; departmental salaries; procurement of services, special clothing, supplies, and equipment; field printing plants; information and educational services for the Armed Forces; communications services; not to exceed \$1,165,000 for emergency and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense for such purposes as he deems appropriate, and his determination thereon shall be final and conclusive upon the accounting officers of the Government; \$350,331,000; of which not less than \$9,708,000 shall be available only for the maintenance of real property facilities.

#### OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personal services in the National Guard Bureau and services of personnel of the National Guard employed as civilians without regard to their military rank, and the number of caretakers authorized to be employed under provisions of law (32 U.S.C. 709) may be such as is deemed necessary by the Secretary of the Army; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard of the several States, Commonwealth of Puerto Rico, and the District of Columbia, as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); \$174,400,000, of which not less than \$1,900,000 shall be available only for the maintenance of real property facilities: *Provided*, That obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code.

70A Stat. 614.

70A Stat. 599.

#### OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, material, and equipment, as authorized by law for the Air

National Guard of the several States, Commonwealth of Puerto Rico, and the District of Columbia; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, of Air National Guard commanders while inspecting units in compliance with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; \$194,400,000, of which not less than \$1,600,000 shall be available only for the maintenance of real property facilities: *Provided*, That the number of caretakers authorized to be employed under the provisions of law (32 U.S.C. 709) may be such as is deemed necessary by the Secretary of the Air Force and such caretakers may be employed without regard to their military rank as members of the Air National Guard: *Provided further*, That obligations may be incurred under this appropriation without regard to section 107 of title 32, United States Code.

70A Stat. 614.

70A Stat. 599.

#### NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses of construction, equipment, and maintenance of rifle ranges, the instruction of citizens in marksmanship, and promotion of rifle practice, in accordance with law, including travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions, and not to exceed \$21,000 for incidental expenses of the National Board, \$622,000: *Provided*, That travel expenses of civilian members of the National Board shall be paid in accordance with the Standardized Government Travel Regulations, as amended.

#### OPERATION AND MAINTENANCE, ALASKA COMMUNICATION SYSTEM, ARMY

For expenses necessary for the operation, maintenance, and improvement of the Alaska Communication System, including purchase of two passenger motor vehicles for replacement only, \$6,900,000, of which not less than \$385,000 shall be available only for maintenance of real property facilities; and in addition, not to exceed 15 per centum of the current fiscal year receipts of the Alaska Communication System may be merged with and used for the purposes of this appropriation and charges for station agent agreements may be paid from receipts of the Alaska Communication System.

#### CLAIMS, DEFENSE

For payment of claims (except as provided in appropriations for civil functions administered by the Department of the Army) as authorized by law; claims for damages arising under training contracts with carriers; and repayment of amounts determined by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or officers designated by them, to have been erroneously collected from military and civilian personnel of the Departments of the Army, Navy, and Air Force or from States, territories, or the District of Columbia, or members of National Guard units thereof; \$19,000,000.

#### CONTINGENCIES, DEFENSE

For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely

Report to congressional committees.

on his certificate that the expenditures were necessary for confidential military purposes, \$15,000,000: *Provided*, That a report of disbursements under this item of appropriation shall be made quarterly to the Appropriations Committees of the Congress.

#### SALARIES AND EXPENSES, COURT OF MILITARY APPEALS, DEFENSE

For salaries and expenses necessary for the Court of Military Appeals, \$455,000.

### TITLE III

## PROCUREMENT

#### PROCUREMENT OF EQUIPMENT AND MISSILES, ARMY

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, equipment, vehicles, vessels, and aircraft for the Army and the Reserve Officers' Training Corps; purchase of not to exceed eight thousand seven hundred and sixty-nine passenger motor vehicles for replacement only (including two medium sedans at not to exceed \$3,000 each); expenses which in the discretion of the Secretary of the Army are necessary in providing facilities for production of equipment and supplies for national defense purposes, including construction, and the furnishing of Government-owned facilities and equipment at privately owned plants; and ammunition for military salutes at institutions to which issue of weapons for salutes is authorized; \$2,520,000,000, to remain available until expended.

#### PROCUREMENT OF AIRCRAFT AND MISSILES, NAVY

For construction, procurement, production, modification, and modernization of aircraft, missiles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands, and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public or private plants; \$3,034,660,000, to remain available until expended: *Provided*, That during the current fiscal year there may be merged with this appropriation not to exceed \$165,000,000 of unobligated balances of appropriations previously granted for "Aircraft and related procurement".

40 USC 255.

#### SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament therefor, plant equipment, appliances, and machine tools, and installation thereof in public or private plants; procurement of critical long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; \$2,919,200,000, and, in addition, \$20,000,000 which shall be derived by transfer from the Navy industrial fund; to remain available until expended.

## OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment, and materials not otherwise provided for; Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion); purchase of not to exceed one thousand six hundred and forty-six passenger motor vehicles (including one medium sedan at not to exceed \$3,000) for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands, and interests therein may be acquired, and construction prosecuted thereon prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public or private plants; \$903,600,000, to remain available until expended.

40 USC 255.

## PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, and vehicles for the Marine Corps, including purchase of not to exceed four hundred sixty-four passenger motor vehicles which shall be for replacement only, \$256,000,000, to remain available until expended.

## AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft, and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; \$3,562,400,000, to remain available until expended: *Provided*, That effective July 1, 1962, the unexpended balances of the appropriation for "Airlift modernization, Air Force" shall be merged with this appropriation: *Provided further*, That funds restricted to procurement of long-range bombers in this appropriation for fiscal year 1962 shall not be available for obligation after June 30, 1962.

70A Stat. 590.

## MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; \$2,459,000,000, to remain available until expended.

## OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed two thousand four hundred and thirty-four passenger motor vehicles, for replacement only (including ten medium sedans at not to exceed \$3,000 each); and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; \$956,250,000, to remain available until expended.

70A Stat. 590.

40 USC 255.

## PROCUREMENT, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments and the Office of Civil Defense) necessary for procurement, production, and modification of equipment, supplies, materials and spare parts therefor not otherwise provided for; purchase of thirty-nine passenger motor vehicles (including two medium sedans at not to exceed \$3,000 each) for replacement only; expansion of public and private plants, equipment and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such land and interest therein may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; \$36,000,000, to remain available until expended.

## TITLE IV

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law, \$1,319,500,000, to remain available until expended.

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law, \$1,475,958,000, to remain available until expended.

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law, \$3,632,100,000, to remain available until expended: *Provided*, That of the funds available in this appropriation account \$157,000,000 shall be available only for the Dyna-Soar program and \$362,600,000 shall be available only for the RS-70 program.

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments and the Office of Civil Defense), necessary for basic and applied scientific research, development, test, and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law, to remain available until expended; \$444,000,000: *Provided*, That such amounts as may be determined by the Secretary of Defense to have been made available in other appropriations available to the Department of Defense during the current fiscal year for programs related to advanced research may be transferred to and merged with this appropriation to be available for the same purposes and time period: *Provided further*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to carry out the purposes of advanced research to those appropriations for military functions under the Department of Defense which are being utilized for related programs, to be merged with and to be available for the same time period as the appropriation to which transferred: *Provided further*, That effective July 1, 1962, the unexpended balances of the appropriation "Salaries and Expenses, Advanced Research Projects Agency, Department of Defense" shall be merged with this appropriation.

## EMERGENCY FUND, DEFENSE

For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research, development, test, and evaluation, or procurement or production related thereto, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred, \$150,000,000, and, in addition, not to exceed \$150,000,000, to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for obligation during the current fiscal year as the Secretary of Defense may designate: *Provided*, That any appropriations transferred shall not exceed 7 per centum of the appropriation from which transferred.

## TITLE V

## GENERAL PROVISIONS

SEC. 501. During the current fiscal year, the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force, respectively, if they should deem it advantageous to the national defense, and if in their opinions the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), under regulations prescribed by the Secretary of Defense, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty station and return as may be authorized by law: *Provided*, That such contracts may be renewed annually.

Experts or consultants.

60 Stat. 810.

SEC. 502. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person

Noncitizens.

not a citizen of the United States shall not apply to personnel of the Department of Defense.

Availability of appropriations.

SEC. 503. Appropriations contained in this Act shall be available for insurance of official motor vehicles in foreign countries, when required by laws of such countries; payments in advance of expenses determined by the investigating officer to be necessary and in accord with local custom for conducting investigations in foreign countries incident to matters relating to the activities of the department concerned; reimbursement of General Services Administration for security guard services for protection of confidential files; reimbursement of the Federal Bureau of Investigation for expenses in connection with investigation of defense contractor personnel; and all necessary expenses, at the seat of government of the United States of America or elsewhere, in connection with communication and other services and supplies as may be necessary to carry out the purposes of this Act: *Provided*, That no appropriation contained in this Act, and no funds available from prior appropriations to component departments and agencies of the Department of Defense, shall be used to pay tuition or to make other payments to educational institutions in connection with the instruction or training of file clerks, stenographers, and typists receiving, or prospective file clerks, stenographers, and typists who will receive compensation at a rate below the minimum rate of pay for positions allocated to grade GS-5 under the Classification Act of 1949, as amended.

Restriction.

Post, p. 343.

Prisoners of war, etc.

SEC. 504. Any appropriation available to the Army, Navy, or the Air Force may, under such regulations as the Secretary concerned may prescribe, be used for expenses incident to the maintenance, pay, and allowances of prisoners of war, other persons in Army, Navy, or Air Force custody whose status is determined by the Secretary concerned to be similar to prisoners of war, and persons detained in such custody pursuant to Presidential proclamation.

Land acquisition.

SEC. 505. Appropriations available to the Department of Defense for the current fiscal year for maintenance or construction shall be available for acquisition of land as authorized by section 2672 of title 10, United States Code.

72 Stat. 1459.

Schooling for dependents.

64 Stat. 1100.

SEC. 506. Appropriations for the Department of Defense for the current fiscal year shall be available, (a) except as authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for primary and secondary schooling for minor dependents of military and civilian personnel of the Department of Defense residing on military or naval installations or stationed in foreign countries, as authorized for the Navy by section 7204 of title 10, United States Code, in amounts not exceeding an average of \$280 per student, when the Secretary of the Department concerned finds that schools, if any, available in the locality, are unable to provide adequately for the education of such dependents; (b) for expenses in connection with administration of occupied areas; (c) for payment of rewards as authorized for the Navy by section 7209(a) of title 10, United States Code, for information leading to the discovery of missing naval property or the recovery thereof; (d) for payment of deficiency judgments and interests thereon arising out of condemnation proceedings; (e) for payment of rentals for special purpose space at the seat of government and, in administering the provisions of 43 U.S.C. 315q, rentals may be paid in advance.

70A Stat. 442.

Occupied areas.

Rewards.

70A Stat. 444.

Deficiency judgments.

Special purpose space.

56 Stat. 654.

Articles for prisoners, etc.

SEC. 507. Appropriations for the Department of Defense for the current fiscal year shall be available for: (a) donations of not to exceed \$25 to each prisoner upon each release from confinement in military or contract prison and to each person discharged for fraudulent enlistment; (b) authorized issues of articles to prisoners, applicants for enlistment and persons in military custody; (c) subsistence of selective



service registrants called for induction, applicants for enlistment, prisoners, civilian employees as authorized by law, and supernumeraries when necessitated by emergent military circumstances; (d) reimbursement for subsistence of enlisted personnel while sick in hospitals; (e) expenses of prisoners confined in nonmilitary facilities; (f) military courts, boards, and commissions; (g) utility services for buildings erected at private cost, as authorized by law, and buildings on military reservations authorized by regulations to be used for welfare and recreational purposes; (h) exchange fees, and losses in the accounts of disbursing officers or agents in accordance with law; and (i) expenses of Latin-American cooperation as authorized for the Navy by law (10 U.S.C. 7208): *Provided*, That section 212 of the Act of June 30, 1932 (5 U.S.C. 59a), shall not apply to retired military personnel on duty at the United States Soldiers' Home.

70A Stat. 443.

47 Stat. 406;  
69 Stat. 498.Assistance to  
small business.

SEC. 508. Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this Act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this Act, and by making available or causing to be made available to purchasing and contracting agencies of the Department of Defense information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this Act.

SEC. 509. No appropriation contained in this Act shall be available for expenses of operation of messes (other than organized messes the operating expenses of which are financed principally from nonappropriated funds) at which meals are sold to officers or civilians except under regulations approved by the Secretary of Defense, which shall (except under unusual or extraordinary circumstances) establish rates for such meals sufficient to provide reimbursement of operating expenses and food costs to the appropriations concerned: *Provided*, That officers and civilians in a travel status receiving a per diem allowance in lieu of subsistence shall be charged at the rate of not less than \$2.50 per day: *Provided further*, That for the purposes of this section payments for meals at the rates established hereunder may be made in cash or by deductions from the pay of civilian employees: *Provided further*, That members of organized nonprofit youth groups sponsored at either the national or local level, when extended the privilege of visiting a military installation and permitted to eat in the general mess by the commanding officer of the installation, shall pay the commuted ration cost of such meal or meals.

Mess operations.

SEC. 510. No part of any appropriation contained in this Act shall be available until expended unless expressly so provided elsewhere in this or some other appropriation Act.

SEC. 511. Appropriations of the Department of Defense available for operation and maintenance, may be reimbursed during the current fiscal year for all expenses involved in the preparation for disposal and for the disposal of military supplies, equipment, and materiel, and for all expenses of production of lumber or timber products pursuant to section 2665 of title 10, United States Code, from amounts received as proceeds from the sale of any such property: *Provided*, That a report of receipts and disbursements under this limitation shall be made quarterly to the Committees on Appropriations of the Congress: *Provided further*, That no funds available to agencies of the

70A Stat. 149.

Report to congressional  
committees.

Department of Defense shall be used for the operation, acquisition, or construction of new facilities or equipment for new facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility is in the national interest.

Military appropriations, exemption authority.

31 USC 665.

SEC. 512. (a) During the current fiscal year, the President may exempt appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interests of national defense.

(b) Upon determination by the President that such action is necessary, the Secretary of Defense is authorized to provide for the cost of an airborne alert as an excepted expense in accordance with the provisions of Revised Statutes 3732 (41 U.S.C. 11).

Military personnel, increase.

(c) Upon determination by the President that it is necessary to increase the number of military personnel on active duty beyond the number for which funds are provided in this Act, the Secretary of Defense is authorized to provide for the cost of such increased military personnel, as an excepted expense in accordance with the provisions of Revised Statutes 3732 (41 U.S.C. 11).

Commissary stores.

SEC. 513. No appropriation contained in this Act shall be available in connection with the operation of commissary stores of the agencies of the Department of Defense for the cost of purchase (including commercial transportation in the United States to the place of sale but excluding all transportation outside the United States) and maintenance of operating equipment and supplies, and for the actual or estimated cost of utilities as may be furnished by the Government and of shrinkage, spoilage, and pilferage of merchandise under the control of such commissary stores, except as authorized under regulations promulgated by the Secretaries of the military departments concerned, with the approval of the Secretary of Defense, which regulations shall provide for reimbursement therefor to the appropriations concerned and, notwithstanding any other provision of law, shall provide for the adjustment of the sales prices in such commissary stores to the extent necessary to furnish sufficient gross revenue from sales of commissary stores to make such reimbursement: *Provided*, That under such regulations as may be issued pursuant to this section all utilities may be furnished without cost to the commissary stores outside the continental United States and in Alaska: *Provided further*, That no appropriation contained in this Act shall be available in connection with the operation of commissary stores within the continental United States unless the Secretary of Defense has certified that items normally procured from commissary stores are not otherwise available at a reasonable distance and a reasonable price in satisfactory quality and quantity to the military and civilian employees of the Department of Defense.

Proficiency flying.

SEC. 514. Notwithstanding any other provision of law, Executive order, or regulation, no part of the appropriations in this Act shall be available for any expenses of operating aircraft under the jurisdiction of the Armed Forces for the purpose of proficiency flying except in accordance with the regulations issued by the Secretaries of the Departments concerned and approved by the Secretary of Defense which shall establish proficiency standards and maximum and minimum flying hours for this purpose: *Provided*, That without regard to any provision of law or Executive order prescribing minimum flight requirements, such regulations may provide for the payment of flight

pay at the rates prescribed in section 204(b) of the Career Compensation Act of 1949 (63 Stat. 802) as amended, to certain members of the Armed Forces otherwise entitled to receive flight pay during the current fiscal year (1) who have held aeronautical ratings or designations for not less than fifteen years, or (2) whose particular assignment outside the United States or in Alaska makes it impractical to participate in regular aerial flights.

69 Stat. 20;  
72 Stat. 124.  
37 USC 235.

SEC. 515. No part of any appropriation contained in this Act shall be available for expense of transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects in excess of eleven thousand pounds net in any one shipment: *Provided*, That the limitations imposed herein shall not be applicable in the case of members transferred to or serving in stations outside the continental United States or in Alaska under orders relieving them from a duty station within the United States prior to July 10, 1952, and who are returned to the United States under orders relieving them from a duty station beyond the United States or in Alaska on or after July 1, 1953.

Household goods.  
Weight restrictions.

SEC. 516. Vessels under the jurisdiction of the Department of Commerce, the Department of the Army, the Department of the Air Force, or the Department of the Navy may be transferred or otherwise made available without reimbursement to any such agencies upon the request of the head of one agency and the approval of the agency having jurisdiction of the vessels concerned.

Vessel transfer.

SEC. 517. None of the funds provided in this Act shall be available for training in any legal profession nor for the payment of tuition for training in such profession: *Provided*, That this limitation shall not apply to the off-duty training of military personnel as prescribed by section 521 of this Act.

Legal training,  
restriction.

SEC. 518. Not more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of civilian components or summer camp training of the Reserve Officers' Training Corps.

Obligated funds,  
1963.

SEC. 519. During the current fiscal year the agencies of the Department of Defense may accept the use of real property from foreign countries for the United States in accordance with mutual defense agreements or occupational arrangements and may accept services furnished by foreign countries as reciprocal international courtesies or as services customarily made available without charge; and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor.

Use of foreign  
real property.

In addition to the foregoing, agencies of the Department of Defense may accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and such agencies may use the same for the support of the United States forces in such areas, without specific appropriation therefor: *Provided*, That within thirty days after the end of each quarter the Secretary of Defense shall render to the Committees on Appropriations of the Senate and the House of Representatives and to the Bureau of the Budget a full report of such property, supplies, and commodities received during such quarter.

Reports to congressional committees and Budget Bureau.

SEC. 520. During the current fiscal year, appropriations available to the Department of Defense for research and development may be used for the purposes of section 2353 of title 10, United States Code, and for purposes related to research and development for which

Research and development.

70A Stat. 134.

expenditures are specifically authorized in other appropriations of the service concerned.

Tuition pay-  
ments, etc.

SEC. 521. No appropriation contained in this Act shall be available for the payment of more than 75 per centum of charges of educational institutions for tuition or expenses for off-duty training of military personnel, nor for the payment of any part of tuition or expenses for such training for commissioned personnel who do not agree to remain on active duty for two years after completion of such training.

ROTC.  
Loyalty require-  
ment.

SEC. 522. No part of the funds appropriated herein shall be expended for the support of any formally enrolled student in basic courses of the senior division, Reserve Officers' Training Corps, who has not executed a certificate of loyalty or loyalty oath in such form as shall be prescribed by the Secretary of Defense.

Procurement of  
products, restric-  
tion.

SEC. 523. No part of any appropriation contained in this Act shall be available for the procurement of any article of food, clothing, cotton, woven silk and woven silk blends, spun silk yarn for cartridge cloth, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles) not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton, woven silk and woven silk blends, spun silk yarn for cartridge cloth, or wool grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions: *Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations: *Provided further*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

Bakery, laundry  
facilities, etc.  
Restriction.

SEC. 524. None of the funds appropriated in this Act shall be used for the construction, replacement, or reactivation of any bakery, laundry, or dry-cleaning facility in the United States, its Territories or possessions, as to which the Secretary of Defense does not certify in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates.

Air mail.  
Reimbursement.

SEC. 525. During the current fiscal year, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

Foreign quarters.

SEC. 526. Appropriations of the Department of Defense available for the payment of rental allowances shall be available for the leasing of quarters in foreign countries constructed under the authority of section 302 of Public Law 534, approved July 14, 1952, for assignment as public quarters to military personnel of the Department of Defense.

66 Stat. 622.

Furnishings, re-  
sale.

SEC. 527. Appropriations contained in this Act shall be available for the purchase of household furnishings and automobiles from military and civilian personnel on duty outside the continental United States, for the purpose of resale at cost to incoming personnel, and

for providing furnishings, without charge, in other than public quarters occupied by military or civilian personnel of the Department of Defense on duty outside the continental United States or in Alaska, upon a determination, under regulations approved by the Secretary of Defense, that such action is advantageous to the Government.

SEC. 528. During the current fiscal year appropriations available to the Department of Defense for pay of civilian employees shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

Uniforms.

68 Stat. 1114.

SEC. 529. During the current fiscal year, the Secretary of Defense shall, upon requisition of the National Board for the Promotion of Rifle Practice, and without reimbursement, transfer from agencies of the Department of Defense to the Board ammunition from stock or which has been procured for the purpose in such amounts as he may determine.

Transfer of ammunition stock.

Such appropriations of the Department of Defense available for obligation during the current fiscal year as may be designated by the Secretary of Defense shall be available for the travel expenses of military and naval personnel, including the reserve components, and members of the Reserve Officers' Training Corps attending regional, national, or international rifle matches.

SEC. 530. Funds provided in this Act for congressional liaison activities of the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense shall not exceed \$950,000: *Provided*, That this amount shall be available for apportionment to the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense as determined by the Secretary of Defense.

Congressional liaison activities.

SEC. 531. Of the funds made available by this Act for the services of the Military Air Transport Service, \$80,000,000 shall be available only for procurement of commercial air transportation service from carriers participating in the civil reserve air fleet program; and the Secretary of Defense shall utilize the services of such carriers which qualify as small businesses to the fullest extent found practicable: *Provided*, That the Secretary of Defense shall specify in such procurement, performance characteristics for aircraft to be used based upon modern aircraft operated by the civil air fleet.

Civil air fleet.

SEC. 532. Not to exceed \$11,600,000 of the funds made available in this Act for the purpose shall be available for the hire of motor vehicles: *Provided*, That the Secretary of Defense, under circumstances where the immediate movement of persons is imperative, may, if he deems it to be in the national interest, hire motor vehicles for such purpose without regard to this limitation.

Motor vehicle hire.

SEC. 533. Not less than \$7,500,000 of the funds made available in this Act for travel expenses in connection with temporary duty and permanent change of station of civilian and military personnel of the Department of Defense shall be available only for the procurement of commercial passenger sea transportation service on American-flag vessels.

Travel expenses.

SEC. 534. During the current fiscal year, appropriations available to the Department of Defense for Operation may be used for civilian clothing, not to exceed \$40 in cost for enlisted personnel: (1) discharged for misconduct, unfitness, unsuitability, or otherwise than honorably; (2) sentenced by a civil court to confinement in a civil prison or interned or discharged as an alien enemy; (3) discharged prior to completion of recruit training under honorable conditions for dependency, hardship, minority, disability, or for the convenience of the Government.

Civilian clothing.

Defense con-  
tracts.  
Advertising  
costs.

SEC. 535. No part of the funds appropriated herein shall be available for paying the costs of advertising by any defense contractor, except advertising for which payment is made from profits, and such advertising shall not be considered a part of any defense contract cost. The prohibition contained in this section shall not apply with respect to advertising conducted by any such contractor, in compliance with regulations which shall be promulgated by the Secretary of Defense, solely for (1) the recruitment by that contractor of personnel required for the performance by the contractor of obligations arising under a defense contract, (2) the procurement of scarce items required by the contractor for the performance of a defense contract, or (3) the disposal of scrap or surplus materials acquired by the contractor in the performance of a defense contract.

Limitation on  
funds.

SEC. 536. Funds appropriated in this Act for maintenance and repair of facilities and installations shall not be available for acquisition of new facilities, or alteration, expansion, extension or addition of existing facilities, as defined in Department of Defense Directive 7040.2, dated January 18, 1961, in excess of \$25,000: *Provided*, That the Secretary of Defense may amend or change the said directive during the current fiscal year, consistent with the purpose of this section.

Transfer of  
funds, authority.

SEC. 537. During the current fiscal year, the Secretary of Defense may, if he deems it vital to the security of the United States and in the national interest to further improve the readiness of the Armed Forces, including the reserve components, transfer under the authority and terms of the Emergency Fund an additional \$200,000,000: *Provided*, That the transfer authority made available under the terms of the Emergency Fund appropriation contained in this Act is hereby broadened to meet the requirements of this section: *Provided further*, That the Secretary of Defense shall notify the Appropriations Committees of the Congress promptly of all transfers made pursuant to this authority.

Notice to con-  
gressional com-  
mittees.

Contract pay-  
ments in foreign  
country.

SEC. 538. None of the funds appropriated in this Act may be used to make payments under contracts for any program, project, or activity in a foreign country unless the Secretary of Defense or his designee, after consultation with the Secretary of the Treasury or his designee, certifies to the Congress that the use, by purchase from the Treasury, of currencies of such country acquired pursuant to law is not feasible for the purpose, stating the reason therefor.

Housing.

SEC. 539. Transfers from appropriations available during the fiscal year 1963 for pay and allowances to the revolving fund "Acquisition, Rehabilitation, and Rental of Wherry Act Housing" authorized pursuant to law (70 Stat. 1111) shall not exceed amounts necessary to make mortgage payments, including interest, principal, and mortgage insurance premiums, with respect to housing acquired under that fund.

Ante, p. 237.  
42 USC 1594a.

Research proj-  
ect grants, ex-  
penses of re-  
cipient.

SEC. 540. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount for indirect expenses in connection with such project in excess of 20 per centum of the direct costs.

Use of privately  
owned shipyards.

SEC. 541. Of the funds made available in this Act for repair, alteration, and conversion of naval vessels, at least 35 per centum shall be available for such repair, alteration, and conversion in privately owned shipyards: *Provided*, That if determined by the Secretary of Defense to be inconsistent with the public interest based on urgency of requirement to have such vessels repaired, altered, or converted as required above, such work may be done in Navy or private shipyards as he may direct.

Short title.

SEC. 542. This Act may be cited as the "Department of Defense Appropriation Act, 1963."

Approved August 9, 1962.

## Public Law 87-578

## AN ACT

Making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

August 9, 1962  
[H. R. 10802]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, namely:

Department of  
the Interior and  
Related Agencies  
Appropriation Act,  
1963.

## TITLE I—DEPARTMENT OF THE INTERIOR

## PUBLIC LAND MANAGEMENT

## BUREAU OF LAND MANAGEMENT

## MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, \$41,510,200.

## CONSTRUCTION

For construction of access roads, acquisition of rights-of-way and of existing connecting roads (other than on the revested Oregon and California Railroad grant lands), and acquisition and construction of buildings and appurtenant facilities, \$1,000,000, to remain available until expended.

## OREGON AND CALIFORNIA GRANT LANDS

For construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of rights-of-way and of existing connecting roads on or adjacent to such lands; an amount equivalent to 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands, to remain available until expended: *Provided*, That the amount appropriated herein for the purposes of this appropriation on lands administered by the Forest Service shall be transferred to the Forest Service, Department of Agriculture: *Provided further*, That the amount appropriated herein for road construction on lands other than those administered by the Forest Service shall be transferred to the Bureau of Public Roads, Department of Commerce: *Provided further*, That the amount appropriated herein is hereby made a reimbursable charge against the Oregon and California land-grant fund and shall be reimbursed to the general fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

43 USC 1181f.

## ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase of nine passenger motor vehicles for replacement only; purchase of one aircraft; purchase, erection, and dismantlement of temporary structures; and alteration and maintenance of necessary

43 USC 1181f.

buildings and appurtenant facilities to which the United States has title: *Provided*, That of appropriations herein made for the Bureau of Land Management expenditures in connection with the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land-grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further*, That appropriations herein made may be expended on a reimbursable basis for (1) surveys of lands other than those under the jurisdiction of the Bureau of Land Management and (2) protection and leasing of lands and mineral resources for the State of Alaska.

#### RANGE IMPROVEMENTS

48 Stat. 1270.  
43 USC 315b,  
315i.

43 USC 315m.

3 CFR 1954-  
1958 Comp., p. 424.

For construction, purchase, and maintenance of range improvements pursuant to the provisions of sections 3 and 10 of the Act of June 28, 1934, as amended (43 U.S.C. 315), sums equal to the aggregate of all moneys received, during the current fiscal year, as range improvements fees under section 3 of said Act, 25 per centum of all moneys received, during the current fiscal year, under section 15 of said Act, and the amount designated for range improvements from grazing fees from Bankhead-Jones lands transferred to the Department of the Interior by Executive Order 10787, dated November 6, 1958, to remain available until expended.

#### BUREAU OF INDIAN AFFAIRS

##### EDUCATION AND WELFARE SERVICES

For expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment (in advance or from date of admission), of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order, and payment of rewards for information or evidence concerning violations of law on Indian reservations or lands; and operation of Indian arts and crafts shops and museums; \$81,300,000.

##### RESOURCES MANAGEMENT

For expenses necessary for management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; and development of Indian arts and crafts as authorized by law; \$34,300,000.

##### REVOLVING FUND FOR LOANS

48 Stat. 986.

For payment to the revolving fund for loans, as authorized by section 10 of the Act of June 18, 1934, as amended (25 U.S.C. 470), \$4,000,000.



## CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities; acquisition of lands and interests in lands; preparation of lands for farming; and architectural and engineering services by contract; \$53,775,000, to remain available until expended: *Provided*, That no part of the sum herein appropriated shall be used for the acquisition of land within the States of Arizona, California, Colorado, New Mexico, South Dakota, Utah, and Wyoming outside of the boundaries of existing Indian reservations: *Provided further*, That no part of this appropriation shall be used for the acquisition of land or water rights within the States of Nevada, Oregon, and Washington either inside or outside the boundaries of existing reservations.

Restrictions.

## ROAD CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORIZATION)

For liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203, and the Act of August 23, 1958 (72 Stat. 834), \$16,000,000, to remain available until expended.

25 USC 631 and note.

## GENERAL ADMINISTRATIVE EXPENSES

For expenses necessary for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, \$4,000,000.

## ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans) shall be available for expenses of exhibits; purchase of not to exceed two hundred and twenty passenger motor vehicles (including fifty for police-type use which may exceed by \$300 each the general purchase price limitation for the current fiscal year), of which two hundred shall be for replacement only, which may be used for the transportation of Indians; advance payments for service (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (25 U.S.C. 452), the Act of August 3, 1956 (70 Stat. 986), and legislation terminating Federal supervision over certain Indian tribes; purchase of ice for official use of employees; and expenses required by continuing or permanent treaty provisions.

49 Stat. 1458.  
25 USC 309,  
309a.

## TRIBAL FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated \$3,000,000 from tribal funds not otherwise available for expenditure for the benefit of Indians and Indian tribes, including pay and travel expenses of employees; care, tuition, and other assistance to Indian children attending public and private schools (which may be paid in advance or from date of admission); purchase of land and improvements on land, title to which shall be taken in the name of the United States in trust for the tribe for which purchased; lease of lands and water rights; compensation and expenses of attorneys and other persons employed by Indian tribes under approved contracts; pay, travel, and other expenses of tribal officers, councils, and committees thereof, or other tribal organizations, including mileage for use of privately owned automobiles and per diem in lieu of subsistence at rates established administratively but not to exceed those applicable to civilian employees of the Government; relief of Indians, without regard to section 7 of the Act of May 27,

Report to congressional committees.

Restriction.

1930 (46 Stat. 391), including cash grants; and employment of a curator for the Osage Museum, who shall be appointed with the approval of the Osage Tribal Council and without regard to the classification laws: *Provided*, That in addition to the amount appropriated herein, tribal funds may be advanced to Indian tribes during the current fiscal year for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary, except that tribal funds derived from appropriations in satisfaction of awards of the Indian Claims Commission and the Court of Claims shall not be further appropriated until a report of the purposes for which the funds are to be used has been submitted to the Senate and House Committees on Interior and Insular Affairs and those purposes either have been approved by resolution of each of said committees or have not been disapproved by resolution of either of said committees within sixty calendar days from the date the report is submitted, not counting days on which either House is not in session because of an adjournment of more than three calendar days to a day certain: *Provided, however*, That no part of this appropriation or other tribal funds shall be used for the acquisition of land or water rights within the States of Nevada, Oregon, Washington, and Wyoming, either inside or outside the boundaries of existing Indian reservations, if such acquisition results in the property being exempted from local taxation, except as provided for by the Act of July 24, 1956 (70 Stat. 627).

#### NATIONAL PARK SERVICE

##### MANAGEMENT AND PROTECTION

For expenses necessary for the management and protection of the areas and facilities administered by the National Park Service, including protection of lands in process of condemnation; and for plans, investigations, and studies of the recreational resources (exclusive of preparation of detail plans and working drawings) and archeological values in river basins of the United States (except the Missouri River Basin); \$25,525,000.

##### MAINTENANCE AND REHABILITATION OF PHYSICAL FACILITIES

For expenses necessary for the operation, maintenance, and rehabilitation of roads (including furnishing special road maintenance service to trucking permittees on a reimbursable basis), trails, buildings, utilities, and other physical facilities essential to the operation of areas administered pursuant to law by the National Park Service, \$20,000,000.

##### CONSTRUCTION

37 Stat. 460;  
54 Stat. 36.

Restriction.

For construction and improvement, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), of buildings, utilities, and other physical facilities under the jurisdiction of the National Park Service, including the White House; the repair or replacement of roads, trails, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, or storm, or the construction of projects deferred by reason of the use of funds for such purposes; the acquisition of water rights; and not to exceed \$8,622,000 for the acquisition of lands, interest therein, improvements, and related personal property; \$40,775,500, to remain available until expended: *Provided*, That no part of this appropriation shall be used for the condemnation of any land for Grand Teton National Park in the State of Wyoming.

## CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORIZATION)

For liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203, \$29,000,000, to remain available until expended: *Provided*, That none of the funds herein provided shall be expended for planning or construction on the following: Fort Washington and Greenbelt Park, Maryland, except minor roads and trails; Great Falls Park, Virginia; Daingerfield Island Marina, Virginia; and extension of the George Washington Memorial Parkway from vicinity of Brickyard Road to Great Falls, Maryland, or in Prince Georges County, Maryland.

## GENERAL ADMINISTRATIVE EXPENSES

For expenses necessary for general administration of the National Park Service, including such expenses in the regional offices, \$1,964,000.

## ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed one hundred and fifty-two passenger motor vehicles (of which one hundred and twenty-five are for replacement only), including not to exceed fifty-seven for police-type use which may exceed by \$300 each the general purchase price limitation for the current fiscal year; and the objects and purposes specified in the Acts of August 8, 1953 (16 U.S.C. 1b-1d), and July 1, 1955 (16 U.S.C. 18f).

## OFFICE OF TERRITORIES

67 Stat. 495;  
69 Stat. 242.

## ADMINISTRATION OF TERRITORIES

For expenses necessary for the administration of Territories and for the departmental administration of the Trust Territory of the Pacific Islands, under the jurisdiction of the Department of the Interior, including expenses of the offices of the Governors of Guam and American Samoa, as authorized by law (48 U.S.C., secs. 1422, 1431a(c)); salaries of the Governor of the Virgin Islands, the Government Secretary, the Government Comptroller, and the members of their immediate staffs as authorized by law (48 U.S.C. 1591, 72 Stat. 1095); compensation and mileage of members of the legislatures in Guam, American Samoa, and the Virgin Islands as authorized by law (48 U.S.C. secs. 1421d(e), 1431a(c), and 1572e); compensation and expenses of the judiciary in American Samoa as authorized by law (48 U.S.C. 1431a(c)); grants to American Samoa, in addition to current local revenues, for support of governmental functions; and personal services, household equipment and furnishings, and utilities necessary in the operation of the houses of the Governors of Guam and American Samoa; \$13,768,000: *Provided*, That the Territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of Territories may be expended for the purchase, charter, maintenance, and operation of aircraft and surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary.

64 Stat. 386.

68 Stat. 503,  
48 USC 1641.

64 Stat. 391;  
45 Stat. 1253;  
73 Stat. 568.

## TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), in-

22 USC 287 note,  
48 USC 1681 and  
note.

cluding the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands in addition to local revenues, for support of governmental functions; \$6,600,000: *Provided*, That the revolving fund for loans to locally owned private trading enterprises shall continue to be available during the fiscal year 1963: *Provided further*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834): *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of the Trust Territory of the Pacific Islands may be expended for the purchase, charter, maintenance, and operation of aircraft and surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary in carrying out the provisions of article 6(2) of the Trusteeship Agreement approved by Congress: *Provided further*, That notwithstanding the provisions of any law, the Trust Territory of the Pacific Islands is authorized to receive, during the current fiscal year, from the Department of Agriculture for distribution on the same basis as domestic distribution in any State, Territory, or possession of the United States, without exchange of funds, such surplus food commodities as may be available pursuant to section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c) and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431).

31 USC 1.

31 USC 65 note.

61 Stat. 3302.

49 Stat. 774.

68 Stat. 458;  
73 Stat. 250.

### ALASKA RAILROAD

#### ALASKA RAILROAD REVOLVING FUND

The Alaska Railroad Revolving Fund shall continue available until expended for the work authorized by law, including operation and maintenance of oceangoing or coastwise vessels by ownership, charter, or arrangement with other branches of the Government service, for the purpose of providing additional facilities for transportation of freight, passengers, or mail, when deemed necessary for the benefit and development of industries or travel in the area served; and payment of compensation and expenses as authorized by section 42 of the Act of September 7, 1916 (5 U.S.C. 793), to be reimbursed as therein provided: *Provided*, That no employee shall be paid an annual salary out of said fund in excess of the salaries prescribed by the Classification Act of 1949, as amended, for grade GS-15, except the general manager of said railroad, one assistant general manager at not to exceed the salaries prescribed by said Act for GS-17, and five officers at not to exceed the salaries prescribed by said Act for grade GS-16.

39 Stat. 750.

Post, p. 843.

### MINERAL RESOURCES

#### GEOLOGICAL SURVEY

##### SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (72 Stat. 837);

5 USC 485 note.

classify lands as to mineral character and water and power resources; give engineering supervision to power permits and Federal Power Commission licenses; enforce departmental regulations applicable to oil, gas, and other mining leases, permits, licenses, and operating contracts; control the interstate shipment of contraband oil as required by law (15 U.S.C. 715); and publish and disseminate data relative to the foregoing activities; \$56,100,000, of which \$8,430,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality.

49 Stat. 30.

#### ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed forty-nine passenger motor vehicles, for replacement only; purchase of not to exceed one aircraft for replacement only; reimbursement of the General Services Administration for security guard service for protection of confidential files; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gaging stations and observation wells; expenses of U.S. National Committee on Geology and payment of contributions to the International Union on Geologic Sciences; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts.

#### BUREAU OF MINES

##### CONSERVATION AND DEVELOPMENT OF MINERAL RESOURCES

For expenses necessary for promoting the conservation, exploration, development, production, and utilization of mineral resources, including fuels, in the United States, its Territories, and possessions; and developing synthetics and substitutes; \$26,675,000.

##### HEALTH AND SAFETY

For expenses necessary for promotion of health and safety in mines and in the minerals industries, and controlling fires in coal deposits, as authorized by law, \$8,158,000.

##### CONSTRUCTION

For the construction and improvement of facilities under the jurisdiction of the Bureau of Mines, \$425,000, to remain available until expended.

##### GENERAL ADMINISTRATIVE EXPENSES

For expenses necessary for general administration of the Bureau of Mines, including such expenses in the regional offices, \$1,333,000.

## ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the Bureau of Mines may be expended for purchase of not to exceed sixty-seven passenger motor vehicles for replacement only; providing transportation services in isolated areas for employees, student dependents of employees, and other pupils, and such activities may be financed under cooperative arrangements; purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work: *Provided*, That the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided further*, That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

## DEVELOPMENT AND OPERATION OF HELIUM PROPERTIES

The Secretary is authorized to borrow from the Treasury for payment to the helium production fund pursuant to section 12(a) of the Helium Act Amendments of 1960 to carry out the provisions of the Act and contractual obligations thereunder, including helium purchases, to remain available without fiscal year limitation, \$6,000,000, in addition to amounts heretofore authorized to be borrowed.

74 Stat. 923.  
50 USC 167j.

## OFFICE OF COAL RESEARCH

## SALARIES AND EXPENSES

For necessary expenses to encourage and stimulate the production and conservation of coal in the United States through research and development, as authorized by law (74 Stat. 337), \$3,450,000, to remain available until expended, of which not to exceed \$300,000 shall be available for administration and supervision.

30 USC 668.

## OFFICE OF MINERALS EXPLORATION

## SALARIES AND EXPENSES

For expenses necessary to provide a program for the discovery of the minerals reserves of the United States, its territories and possessions, by encouraging exploration for minerals, including administration of contracts entered into prior to June 30, 1958, under section 303 of the Defense Production Act of 1950, as amended, \$750,000, including not to exceed \$213,600 for administrative and technical services, to remain available until expended.

65 Stat. 133.  
50 USC app.  
2093.

## LEAD AND ZINC STABILIZATION PROGRAM

For necessary expenses to carry out a lead and zinc mining stabilization program, including payments to producers, as authorized by the Act of October 3, 1961 (75 Stat. 766), \$2,450,000.

30 USC 681.

## OFFICE OF OIL AND GAS

## SALARIES AND EXPENSES

For necessary expenses to enable the Secretary to discharge his responsibilities with respect to oil and gas, including cooperation with the petroleum industry and State authorities in the production, processing, and utilization of petroleum and its products, and natural gas, \$531,000.

## FISH AND WILDLIFE SERVICE

## OFFICE OF THE COMMISSIONER OF FISH AND WILDLIFE

## SALARIES AND EXPENSES

For necessary expenses of the Office of the Commissioner, \$364,000.

## BUREAU OF COMMERCIAL FISHERIES

## MANAGEMENT AND INVESTIGATIONS OF RESOURCES

For expenses necessary for scientific and economic studies, conservation, management, investigation, protection, and utilization of commercial fishery resources, including whales, sea lions, and related aquatic plants and products; collection, compilation, and publication of information concerning such resources; promotion of education and training of fishery personnel; and the performance of other functions related thereto, as authorized by law; \$15,225,000.

## MANAGEMENT AND INVESTIGATIONS OF RESOURCES

## (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act, \$300,000, which shall be available to purchase only those currencies which the Treasury Department shall determine to be excess to the normal requirements of the United States.

72 Stat. 275.

## CONSTRUCTION

For construction and acquisition of buildings and other facilities required for the conservation, management, investigation, protection, and utilization of commercial fishery resources and the acquisition of lands and interests therein, \$8,473,000, to remain available until expended.

## CONSTRUCTION OF FISHING VESSELS

For expenses necessary to carry out the provisions of the Act of June 12, 1960, Public Law 86-516, to assist in the construction of fishing vessels, \$750,000.

74 Stat. 212.  
46 USC 1401-  
1413.

## GENERAL ADMINISTRATIVE EXPENSES

For expenses necessary for general administration of the Bureau of Commercial Fisheries, including such expenses in the regional offices, \$600,000.

## ADMINISTRATION OF PRIBILOF ISLANDS

58 Stat. 100.

For carrying out the provisions of the Act of February 26, 1944, as amended (16 U.S.C. 631a-631q), there are appropriated amounts not to exceed \$1,998,000, to be derived from Pribilof Islands fund.

## LIMITATION ON ADMINISTRATIVE EXPENSES, FISHERIES LOAN FUND

During the current fiscal year not to exceed \$250,000 of the Fisheries loan fund shall be available for administrative expenses.

## BUREAU OF SPORT FISHERIES AND WILDLIFE

## MANAGEMENT AND INVESTIGATIONS OF RESOURCES

62 Stat. 238.

For expenses necessary for scientific and economic studies, conservation, management, investigation, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; operation of the industrial properties within the Crab Orchard National Wildlife Refuge (61 Stat. 770); maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; purchase or rent of land, and functions related to wildlife management in California (16 U.S.C. 695-695c); and leasing and management of lands for the protection of the Florida Key deer; \$27,112,000.

## CONSTRUCTION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein, \$6,922,300, to remain available until expended.

## MIGRATORY BIRD CONSERVATION ACCOUNT

16 USC 715k-3.

For an advance to the Migratory bird conservation account, as authorized by the Act of October 4, 1961 (75 Stat. 813), \$7,000,000, to remain available until expended.

## GENERAL ADMINISTRATIVE EXPENSES

For expenses necessary for general administration of the Bureau of Sport Fisheries and Wildlife, including such expenses in the regional offices, \$1,250,000.

## ADMINISTRATIVE PROVISIONS

34 Stat. 690.

Appropriations and funds available to the Fish and Wildlife Service shall be available for purchase of not to exceed one hundred and twenty-four passenger motor vehicles of which ninety-two shall be for replacement only (including fifty for police-type use which may exceed by \$300 each the general purchase price limitation for the current fiscal year); purchase of not to exceed two aircraft; not to exceed \$30,000 for payment, in the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Fish and Wildlife Service; publication and distribution of bulletins as authorized by law (7 U.S.C. 417); rations or commutation of rations for officers and crews of vessels at rates not to exceed \$3 per man per day; repair of damage to public roads within and adjacent to reservation areas caused by operations of the Fish and Wildlife Serv-



ice; options for the purchase of land at not to exceed \$1 for each option; facilities incident to such public recreational uses on conservation areas as are not inconsistent with their primary purposes; and the maintenance and improvement of aquaria; buildings, and other facilities under the jurisdiction of the Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources.

#### OFFICE OF SALINE WATER

##### SALARIES AND EXPENSES

For expenses necessary to carry out provisions of the Act of July 3, 1952, as amended (42 U.S.C. 1951-1958), authorizing studies of the conversion of saline water for beneficial consumptive uses, to remain available until expended, \$7,600,000, of which not to exceed \$525,000 shall be available for administration and coordination during the current fiscal year.

75 Stat. 628.

##### OPERATION AND MAINTENANCE

For operation and maintenance of demonstration plants for the production of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, as authorized by the Act of September 2, 1958, as amended (42 U.S.C. 1958a-1958g), \$2,000,000, of which not to exceed \$175,000 shall be available for administration.

72 Stat. 1706.

#### OFFICE OF THE SOLICITOR

##### SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, \$3,675,000, and in addition, not to exceed \$130,000 may be reimbursed or transferred to this appropriation from other accounts available to the Department of the Interior: *Provided*, That hearing officers appointed for Indian probate work need not be appointed pursuant to the Administrative Procedure Act (60 Stat. 237), as amended.

5 USC 1001  
note.

#### OFFICE OF THE SECRETARY

##### SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of the Interior (referred to herein as the Secretary), including teletype rentals and service, not to exceed \$2,000 for official reception and representation expenses, and purchase of one passenger motor vehicle (medium sedan at not to exceed \$3,000) for replacement only, \$3,350,000.

#### GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Emergency reconstruction.

SEC. 102. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest

Forest or range fires.

or range fires on or threatening lands under jurisdiction of the Department of the Interior: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof.

Operation of  
warehouses, etc.

47 Stat. 417.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 686): *Provided*, That reimbursements for costs of supplies, materials and equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Post, p. 1216.

60 Stat. 810.

SEC. 104. Appropriations made to the Department of the Interior in this title or in the Public Works Appropriations Act, 1963 shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), when authorized by the Secretary, at rates not to exceed \$75 per diem for individuals, and in total amount not to exceed \$175,000; maintenance and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

68 Stat. 1114;  
43 Stat. 175.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 2131 and D.C. Code 4-204).

## TITLE II—RELATED AGENCIES

### DEPARTMENT OF AGRICULTURE

#### FOREST SERVICE

##### FOREST PROTECTION AND UTILIZATION

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands under Forest Service administration, fighting and preventing forest fires on or threatening such lands and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands; \$139,400,000, of which \$5,000,000 for fighting and preventing forest fires and \$1,910,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: *Provided*, That not more than \$500,000 may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U.S.C. 513-519): *Provided further*, That funds appropriated for "Co-operative range improvements", pursuant to section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), may be advanced to this appropriation.

31 USC 665.

36 Stat. 962.

64 Stat. 85.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law; \$24,835,000.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application of forest management principles and processing of forest products, as authorized by law; \$15,830,000.

#### FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For expenses necessary for carrying out the provisions of title 23, United States Code, sections 203 and 205, relating to the construction and maintenance of forest development roads and trails, \$37,500,000, to remain available until expended, for liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203: *Provided*, That funds available under the Act of March 4, 1913 (16 U.S.C. 501), shall be merged with and made a part of this appropriation: *Provided further*, That not less than the amount made available under the provisions of the Act of March 4, 1913, shall be expended under the provisions of such Act.

37 Stat. 843.

#### ACCESS ROADS

For additional roads needed for access to national forest lands in carrying out the Act of June 4, 1897, as amended (16 U.S.C. 471, 472, 475, 476, 551), \$2,000,000.

26 Stat. 1103;  
33 Stat. 628;  
30 Stat. 34.

#### ACQUISITION OF LANDS FOR NATIONAL FORESTS

##### SUPERIOR NATIONAL FOREST

For completion of the acquisition of forest land within the Superior National Forest, Minnesota, under the provisions of the Act of June 22, 1948 (62 Stat. 570; 16 U.S.C. 577c-h), as amended, by purchase, condemnation or otherwise, \$2,000,000, to remain available until expended and to be available without regard to the restriction in the proviso in section 1 of that Act.

#### SPECIAL ACTS

For the acquisition of land in the Cache National Forest, Utah, in accordance with the Act of May 11, 1938 (52 Stat. 347), as amended, \$10,000, to be derived from forest receipts as authorized by said Act: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

58 Stat. 227.

For acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the Uinta and Wasatch National Forests, in accordance with the provisions of the Act of August 26, 1935 (49 Stat. 866), as amended, authorizing annual appropriation of forest receipts for such purposes, from such receipts, \$20,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of the national forest.

## COOPERATIVE RANGE IMPROVEMENTS

64 Stat. 85.

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests in accordance with section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), to be derived from grazing fees as authorized by said section, \$700,000, to remain available until expended.

## ASSISTANCE TO STATES FOR TREE PLANTING

70 Stat. 207.

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (16 U.S.C. 568e), \$1,000,000, to remain available until expended.

## ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Passenger motor  
vehicles.

58 Stat. 742.

60 Stat. 810.

68 Stat. 1114.

58 Stat. 742.

36 Stat. 963.

70 Stat. 1034.

Appropriations available to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed one hundred and sixty-five passenger motor vehicles, of which one hundred and thirty-seven shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed three of which one shall be for replacement only; (b) employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in an amount not to exceed \$25,000; (c) uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); (d) purchase, erection, and alteration of buildings and other public improvements (5 U.S.C. 565a); (e) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U.S.C. 514); and (f) acquisition of land and interests therein for sites for administrative purposes, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a).

Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

36 Stat. 962.

Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U.S.C. 513-519, 521), where such land is not within the boundaries of a national forest nor shall these lands or lands authorized for purchase in Sanders County, Montana, be acquired without approval of the local government concerned.

## FEDERAL COAL MINE SAFETY BOARD OF REVIEW

## SALARIES AND EXPENSES

60 Stat. 810.

For necessary expenses of the Federal Coal Mine Safety Board of Review, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$70,000.

## COMMISSION OF FINE ARTS

## SALARIES AND EXPENSES

36 Stat. 371.

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), including payment of actual traveling expenses of the members and secretary of the Commission in attending meetings and Committee meetings of the Commission either within

or outside the District of Columbia, to be disbursed on vouchers approved by the Commission, \$80,000.

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

### PUBLIC HEALTH SERVICE

#### INDIAN HEALTH ACTIVITIES

For expenses necessary to enable the Surgeon General to carry out the purposes of the Act of August 5, 1954 (68 Stat. 674), as amended; purchase of not to exceed twenty-six passenger motor vehicles, of which nineteen shall be for replacement only; hire of passenger motor vehicles and aircraft; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the purposes set forth in sections 301 (with respect to research conducted at facilities financed by this appropriation), 321, 322(d), 324, and 509 of the Public Health Service Act; \$55,834,000.

42 USC 2001 et seq.

58 Stat. 691.  
42 USC 241, 248,  
249, 251, 227.

#### CONSTRUCTION OF INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites; purchase and erection of portable buildings; purchase of trailers; and provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a); \$9,335,000, to remain available until expended.

73 Stat. 267.

#### ADMINISTRATIVE PROVISIONS, PUBLIC HEALTH SERVICE

Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

60 Stat. 810.

Appropriations contained in this Act available for salaries and expenses shall be available for payment in advance for dues or fees for library membership in organizations whose publications are available to members only or to members at a price lower than to the general public and for payment in advance for publications available only upon that basis or available at a reduced price on prepublication orders.

Library membership.

Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

68 Stat. 1114.

Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

Attendance at meetings.

### INDIAN CLAIMS COMMISSION

#### SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the Act of August 13, 1946 (25 U.S.C. 70), creating an Indian Claims Commission, \$290,000, of which not to exceed \$10,000 shall be available for expenses of travel.

60 Stat. 1049.

## NATIONAL CAPITAL PLANNING COMMISSION

## SALARIES AND EXPENSES

66 Stat. 781;  
D. C. Code 1-  
1001 note.  
60 Stat. 810.  
68 Stat. 1114.

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and uniforms or allowances therefor, as authorized by law (5 U.S.C. 2131); \$625,000.

## LAND ACQUISITION, NATIONAL CAPITAL PARK, PARKWAY, AND PLAYGROUND SYSTEM

For necessary expenses for the National Capital Planning Commission for acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), as amended, to remain available until expended, \$100,000 which shall be available for the purpose of section 1(a) thereof: *Provided*, That not exceeding \$50,000 of the funds available for land acquisition purposes shall be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition.

## NATIONAL CAPITAL TRANSPORTATION AGENCY

## SALARIES AND EXPENSES

40 USC 661-665. For expenses necessary to carry out the provisions of title II of the Act of July 14, 1960 (74 Stat. 537), including payment in advance for membership in societies whose publications or services are available to members only or to members at a price lower than to the general public; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 2131); \$3,000,000.

68 Stat. 1114.

## LAND ACQUISITION AND CONSTRUCTION

For necessary expenses for the National Capital Transportation Agency for acquisition of land for extra-wide median strips, or interests therein, and for incidental construction, for transit facilities, as authorized by law, \$400,000, to remain available until expended: *Provided*, That such land purchases shall be subject to the advance approval of the Director of the Bureau of the Budget.

## SMITHSONIAN INSTITUTION

## SALARIES AND EXPENSES

For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of lands under the jurisdiction or protection of the United States, independently or in cooperation with State, educational, and scientific organizations in the United States, and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administration of the National Collection of Fine Arts and the National Portrait Gallery; for the administration, construction, and maintenance of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of

July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U.S.C. 77); for expenses of the National Armed Forces Museum Advisory Board; including not to exceed \$35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase, repair, and cleaning of uniforms for guards and elevator operators, and uniforms or allowances therefor, as authorized by law (5 U.S.C. 2131), for other employees; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; \$10,900,000.

54 Stat. 724.  
20 USC 79-79e.  
60 Stat. 1097.  
5 USC 133y-16  
note.  
60 Stat. 997.

60 Stat. 810.

68 Stat. 1114.

#### CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, \$1,275,000, to remain available until expended: *Provided*, That such portion of this amount as may be necessary may be transferred to the District of Columbia (20 U.S.C. 81-84; 75 Stat. 779).

26 Stat. 78.

#### SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators and uniforms, or allowances therefor for other employees as authorized by law (5 U.S.C. 2131); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; and not to exceed \$15,000 for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper; \$2,054,000.

20 USC 71.  
53 Stat. 577.  
60 Stat. 810.

68 Stat. 1114.

#### TRANSITIONAL GRANTS TO ALASKA

For grants to the State of Alaska to assist in accomplishing an orderly transition from Territorial status to statehood and to facilitate the assumption of responsibilities hitherto performed in Alaska by the Federal Government, and for expenses of providing Federal services or facilities in Alaska for an interim period, as authorized by law (73 Stat. 151), \$3,000,000.

#### CIVIL WAR CENTENNIAL COMMISSION

For expenses necessary to carry out the provisions of the Act of September 7, 1957 (71 Stat. 626), as amended (72 Stat. 1769), \$100,000.

36 USC 749.

## GENERAL PROVISIONS, RELATED AGENCIES

The per diem rate, unless an agency is otherwise limited by law to payment of a lesser per diem, paid from appropriations made available under this title for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), shall not exceed \$75.

60 Stat. 810.

## TITLE III—VIRGIN ISLANDS CORPORATION

## REVOLVING FUND

For an additional amount for the revolving fund established under this head in the Supplemental Appropriation Act, 1950, for advances to the Virgin Islands Corporation, as authorized by law (63 Stat. 350; 72 Stat. 1760), \$200,000.

63 Stat. 875.

48 USC 1407  
note, 1407e.

## LIMITATION ON ADMINISTRATIVE EXPENSES, VIRGIN ISLANDS CORPORATION

During the current fiscal year the Virgin Islands Corporation is hereby authorized to make such expenditures, within the limits of funds available to it and in accord with law, and to make such contracts and commitments without regard to fiscal-year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its programs as set forth in the budget for the current fiscal year: *Provided*, That not to exceed \$180,000 shall be available for administrative expenses (to be computed on an accrual basis) of the Corporation, covering the categories set forth in the 1963 budget estimates for such expenses.

61 Stat. 584.  
31 USC 849.

Short title.

This Act may be cited as the "Department of the Interior and Related Agencies Appropriation Act, 1963."

Approved August 9, 1962.

## Public Law 87-579

## AN ACT

To revise the laws relating to depository libraries.

August 9, 1962  
[H. R. 8141]Depository Li-  
brary Act of 1962."Government  
publication."Availability of  
Government publi-  
cations through  
Superintendent of  
Documents.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act shall be known as the "Depository Library Act of 1962".

The term "Government publication" as used in this Act and the amendments made by it means informational matter which is published as an individual document at Government expense, or as required by law.

Government publications, except those determined by their issuing components to be required for official use only or those required for strictly administrative or operational purposes which have no public interest or educational value and publications classified for reasons of national security, shall be made available to depository libraries through the facilities of the Superintendent of Documents for public information. Each component of the Government shall furnish the Superintendent of Documents a list of publications, except those required for official use only or those required for strictly administrative or operational purposes which have no public interest or educational value and publications classified for reasons of national security, which it issued during the previous month that were obtained from sources other than the Government Printing Office.



SEC. 2. That section 501 of the Revised Statutes, as amended (March 1, 1907, ch. 2284, sec. 4, 34 Stat. 1014; 44 U.S.C. 82), is hereby amended to read as follows:

"SEC. 501. The Government publications, which may be selected from lists prepared by the Superintendent of Documents and when requested from him, shall be distributed to depository libraries specifically designated by law and to such libraries as have been or shall be designated by each of the Senators from the several States, by the Representatives in Congress from each congressional district and at large, by the Resident Commissioner from Puerto Rico, by the Board of Commissioners of the District of Columbia, and by the Governors of Guam, American Samoa, and the Virgin Islands, respectively: *Provided*, That (1) additional libraries within areas served by Representatives or the Resident Commissioner from Puerto Rico may be designated by them to receive Government publications to the extent that the total number of libraries designated by Representatives or the Resident Commissioner from Puerto Rico, as the case may be, shall not exceed two within each area, and (2) additional libraries within any State may be designated by each of the Senators from such State to the extent that the libraries within such State designated by Senators shall not exceed two designated by a Senator of each class; however before any additional library within a State, congressional district or the Commonwealth of Puerto Rico shall be designated as a depository for Government publications, the head of that library shall furnish his Senator, Representative or the Resident Commissioner from Puerto Rico, as the case may be, with justification of the necessity for the additional designation. This justification, which shall also include a certification as to the need for the additional depository library designation, shall be signed by the head of every existing depository library within the congressional district or the Commonwealth of Puerto Rico or by the head of the library authority of the State or the Commonwealth of Puerto Rico, within which the additional depository library is to be located. The justification for additional depository library designations shall be transmitted to the Superintendent of Documents by the Senator, Representative or the Resident Commissioner from Puerto Rico, as the case may be. Notwithstanding any other provision of this section, the Board of Commissioners of the District of Columbia may designate two depository libraries in the District of Columbia, the Governor of Guam and the Governor of American Samoa may each designate one depository library in Guam and American Samoa, respectively, and the Governor of the Virgin Islands may designate one depository library on the island of Saint Thomas and one on the island of Saint Croix."

Distribution of  
copies to desig-  
nated depositor-  
ies.

SEC. 3. That section 502 of the Revised Statutes, as amended (January 12, 1895, ch. 23, secs. 53 and 61, 28 Stat. 608 and 610; 44 U.S.C. 83), is hereby amended to read as follows:

Designation of  
depositories.

"SEC. 502. The Superintendent of Documents shall currently issue a classified list of Government publications in suitable form, containing annotations of contents and listed by item identification numbers in such manner as to facilitate the selection of only those publications which may be needed by designated depository libraries. The selected publications shall be distributed to depository libraries in accordance with regulations issued by the Superintendent of Documents, so long as they fulfill the conditions provided by law."

SEC. 4. That section 5 of the Act of June 23, 1913 (38 Stat. 75, ch. 3; 44 U.S.C. 84), is hereby amended to read as follows:

"SEC. 5. The designation of a library to replace any depository library, other than a depository library specifically designated by law,

New designa-  
tions.

*Ante*, p. 353.

may be made only within the limitations on total numbers specified in section 501 of the Revised Statutes (44 U.S.C. 82), as amended, and only when the library to be replaced shall cease to exist, when the library voluntarily relinquishes its depository status, or when the Superintendent of Documents determines that it no longer fulfills the conditions provided by law for depository libraries."

SEC. 5. That section 4 of the Act of March 1, 1907, as amended (34 Stat. 1014, ch. 2284, and 52 Stat. 1206, ch. 708; 44 U.S.C. 85), is hereby amended to read as follows:

Allotment of  
copies.

"SEC. 4. Upon request of the Superintendent of Documents, the components of the Government which order the printing of publications shall either increase or decrease the number of copies of publications furnished for distribution to designated depository libraries and State libraries so that the number of copies delivered to the Superintendent of Documents shall be equal to the number of libraries on the list: *Provided*, That the number thus delivered shall not be restricted by any existing statutory limitation: *Provided further*, That such copies of publications which are furnished the Superintendent of Documents for distribution to designated depository libraries shall include the journals of the Senate and House of Representatives; all publications, not confidential in character, printed upon the requisition of any congressional committee; all Senate and House public bills and resolutions; and all reports on private bills, concurrent or simple resolutions; but shall not include so-called cooperative publications which must necessarily be sold in order to be self-sustaining.

Congressional  
journals.

Notice to Gov-  
ernment agencies.

"The Superintendent of Documents shall currently inform the components of the Government which order the printing of publications as to the number of copies of their publications required for distribution to depository libraries. The cost of printing and binding those publications which are distributed to depository libraries, when obtained elsewhere than from the Government Printing Office, shall be borne by components of the Government responsible for their issuance; those requisitioned from the Government Printing Office shall be charged to appropriations provided the Superintendent of Documents for that purpose.

Cost of print-  
ing and binding.

Land-grant  
colleges.

"All land-grant colleges shall be constituted as depositories to receive Government publications subject to the provisions and limitations of the depository laws."

Investigation  
of libraries.

SEC. 6. That section 70 of the Act of January 12, 1895 (28 Stat. 612, ch. 23; 44 U.S.C. 86), is hereby amended to read as follows:

"SEC. 70. Each library which may hereafter be designated by Senators, Representatives, the Resident Commissioner from Puerto Rico, the Board of Commissioners of the District of Columbia, or the Governors of Guam, American Samoa, or the Virgin Islands as a depository of Government publications shall be able to provide custody and service for depository materials and be located in an area where it can best serve the public need, and shall be located within an area not already adequately served by existing depository libraries. The Superintendent of Documents shall receive reports from designated depository libraries at least every two years concerning the condition of each and shall make firsthand investigation of conditions for which need is indicated; the results of such investigations shall be included in his annual report. Whenever he shall ascertain that the number of books in any such library is below ten thousand, other than Government publications, or it has ceased to be maintained so as to be accessible to the public, or that the Government publications which have been furnished the library have not been properly maintained, he shall delete the library from the list of depository libraries

if the library fails to correct the unsatisfactory conditions within six months. The Representative or the Resident Commissioner from Puerto Rico in whose area the library is located (or (1) in the case of a library designated by a Senator, the Senator who made such designation or any successor of such Senator, (2) in the case of a library in the District of Columbia, the Board of Commissioners of the District of Columbia, and (3) in the case of a library in Guam, American Samoa, or the Virgin Islands, the Governor) shall be notified and shall then be authorized to designate another library within the area served by him, which shall meet the conditions herein required, but which shall not be in excess of the number of depository libraries authorized by law within the State, district, territory, or the Commonwealth of Puerto Rico, as the case may be."

SEC. 7. That section 98 of the Act of January 12, 1895 (28 Stat. 624, ch. 23; 44 U.S.C. 87), is hereby amended to read as follows:

"SEC. 98. The libraries of the executive departments, of the United States Military Academy, of the United States Naval Academy, of the United States Air Force Academy, of the United States Coast Guard Academy, and of the United States Merchant Marine Academy are constituted designated depositories of Government publications. A depository library within each independent agency may be designated upon certification of need by the head of the independent agency to the Superintendent of Documents. Additional depository libraries within executive departments and independent agencies may be designated to receive Government publications to the extent that the number so designated shall not exceed the number of major bureaus or divisions of such departments and independent agencies. These designations shall be made only after certification by the head of each executive department or independent agency to the Superintendent of Documents as to the justifiable need for additional depository libraries. Depository libraries within executive departments and independent agencies are authorized to dispose of unwanted Government publications after first offering them to the Library of Congress and the National Archives."

Libraries of  
executive depart-  
ments, etc.

SEC. 8. That section 74 of the Act of January 12, 1895, as amended (28 Stat. 620, ch. 23; and sec. 11, 49 Stat. 1552, ch. 630; 44 U.S.C. 92), is hereby amended to read as follows:

Government pub-  
lications as public  
property, free use.

"SEC. 74. All Government publications of a permanent nature which are furnished by authority of law to officers (except Members of Congress) of the United States Government, for their official use, shall be stamped 'Property of the United States Government', and shall be preserved by such officers and by them delivered to their successors in office as a part of the property appertaining to the office. Government publications which are furnished to depository libraries shall be made available for the free use of the general public, and may be disposed of by depository libraries after retention for a minimum period of five years, and in accordance with the provisions of section 9 of the Depository Library Act of 1962, if the depository library is served by a regional depository library. When the depository libraries are not served by a regional depository library, or if they are regional depository libraries themselves, the Government publications, except superseded publications or those issued later in bound form which may be discarded as authorized by the Superintendent of Documents, shall be retained permanently in either printed form or in microfacsimile form."

SEC. 9. Not to exceed two depository libraries in each State and the Commonwealth of Puerto Rico may be designated as herein provided to be regional depositories, and as such shall receive from the Superintendent of Documents copies of all new and revised Govern-

Regional depos-  
itories.

ment publications authorized for distribution to depository libraries. Designation of regional depository libraries may be made by a Senator or the Resident Commissioner from Puerto Rico within the areas served by them, after approval by the head of the library authority of the State or the Commonwealth of Puerto Rico, as the case may be, who shall first ascertain from the head of the library to be so designated that the library will, in addition to fulfilling the requirements for depository libraries, retain at least one copy of all Government publications, either in printed or microfacsimile form (except those authorized to be discarded by the Superintendent of Documents); and within the region served will provide interlibrary loan, reference service, and assistance for depository libraries in the disposal of unwanted Government publications as herein provided. The agreement to function as a regional depository library shall be transmitted to the Superintendent of Documents by the Senator or the Resident Commissioner from Puerto Rico when designation is made.

The libraries designated as regional depositories shall be authorized to permit depository libraries, within the areas served by them, to dispose of Government publications which they have retained for at least five years after first offering them to other depository libraries within their area, then to other libraries, and then if not wanted to discard.

SEC. 10. The Public Printer, with the approval of the Joint Committee on Printing, as provided for by section 2 of the Printing Act of 1895 (ch. 23, sec. 2, 28 Stat. 601), as amended, shall adopt and employ such measures as he deems necessary for the economical and practical implementation of this Act.

SEC. 11. The Act entitled "An Act to make the United States Coast Guard Academy library a public depository for Government publications", approved August 5, 1939 (53 Stat. 1209; 44 U.S.C. 87a), is hereby repealed.

Approved August 9, 1962.

Disposition of  
publications after  
five years.

44 USC 4.

Repeal.

## Public Law 87-580

August 9, 1962  
[H. R. 7336]

### AN ACT

To promote the production of oysters by propagation of disease-resistant strains, and for other purposes.

Oysters.  
Disease-resistant  
strains, propa-  
gation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* The Secretary of the Interior is authorized with respect to those States where he finds that excessive mortality of oysters presents an immediate and substantial threat to the economic stability of the oyster industry in such area or region, to acquire oyster brood stock that he believes possesses resistance to the causative agent of such excessive mortality. The Secretary may thereafter transfer such brood stock to the particular States involved for planting in spawning sanctuaries and protection of such State or States. Distribution of the resultant seed oysters by the States shall be in accordance with plans and procedures that are mutually acceptable to the Secretary and the cooperating States: *Provided*, That the purchase of oyster brood stock hereunder by the Secretary shall be conditional upon the participating State or States, in each instance, paying one-third of the cost of such brood stock. The Secretary of the Interior is authorized to cooperate with the States in any manner necessary to accomplish the purposes of this Act.

Grants to States  
for research, etc.

SEC. 2. The Secretary of the Interior is authorized to make grants to the States referred to in the first section of this Act for the purpose of assisting such States in the financing of research and other activities

necessary in the development and propagation of disease-resistant strains of oysters. A grant under this section shall be made upon agreement by the State to use the proceeds thereof only for the purposes specified in this section and to use an additional amount for such purposes from State or other non-Federal sources equal to at least 50 per centum of the amount of such grant.

SEC. 3. There is authorized to be appropriated such sum, not to exceed \$100,000, as may be necessary to carry out the provisions of this Act.

Appropriation.

Approved August 9, 1962.

## Public Law 87-581

### AN ACT

August 13, 1962  
[H. R. 10786]

To establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Work Hours Act of 1962" and title I may be cited as the "Contract Work Hours Standards Act".

Work Hours Act  
of 1962.

SEC. 2. As used in this Act, the term "this Act" means the Work Hours Act of 1962 except in title I, where it means the Contract Work Hours Standards Act.

## TITLE I—CONTRACT WORK HOURS STANDARDS ACT

SEC. 101. As used herein, the term "Secretary" means the Secretary of Labor, United States Department of Labor.

"Secretary".

SEC. 102. (a) Notwithstanding any other provision of law, the wages of every laborer and mechanic employed by any contractor or subcontractor in his performance of work on any contract of the character specified in section 103 shall be computed on the basis of a standard workday of eight hours and a standard workweek of forty hours, and work in excess of such standard workday or workweek shall be permitted subject to the provisions of this section. For each workweek in which any such laborer or mechanic is so employed, such wages shall include compensation, at a rate not less than one and one-half times the basic rate of pay, for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in the workweek, as the case may be.

Forty-hour week  
provision.

(b) The following provisions shall be a condition of every contract of the character specified in section 103 and of any obligation of the United States, any territory, or the District of Columbia in connection therewith:

(1) No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic, in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek except in accordance with the provisions of this Act; and

(2) In the event of violation of the provisions of paragraph (1), the contractor and any subcontractor responsible therefor shall be liable to such affected employee for his unpaid wages and shall, in addition, be liable to the United States (or, in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages as provided therein. Such

Liability of  
employers for  
violation.

liquidated damages shall be computed, with respect to each individual employed as a laborer or mechanic in violation of any provision of this Act, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by this Act. The governmental agency for which the contract work is done or by which financial assistance for the work is provided may withhold, or cause to be withheld, subject to the provisions of section 104, from any moneys payable on account of work performed by a contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as herein provided.

Contracts, ap-  
plicability.

SEC. 103. (a) The provisions of this Act shall apply, except as otherwise provided, to any contract which may require or involve the employment of laborers or mechanics upon a public work of the United States, of any territory, or of the District of Columbia, and to any other contract which may require or involve the employment of laborers or mechanics if such contract is one (1) to which the United States or any agency or instrumentality thereof, any territory, or the District of Columbia is a party, or (2) which is made for or on behalf of the United States, any agency or instrumentality thereof, any territory, or the District of Columbia, or (3) which is a contract for work financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality thereof under any statute of the United States providing wage standards for such work: *Provided*, That the provisions of section 102, shall not apply to work where the assistance from the United States or any agency or instrumentality as set forth above is only in that nature of a loan guarantee, or insurance. Except as otherwise expressly provided, the provisions of the Act shall apply to all laborers and mechanics, including watchmen and guards, employed by any contractor or subcontractor in the performance of any part of the work contemplated by any such contract, and for purposes of this Act, laborers and mechanics shall include workmen performing services in connection with dredging or rock excavation in any river or harbor of the United States or of any territory or of the District of Columbia, but shall not include any employee employed as a seaman.

(b) This Act shall not apply to contracts for transportation by land, air, or water, or for the transmission of intelligence, or for the purchase of supplies or materials or articles ordinarily available in the open market. This Act shall not apply with respect to any work required to be done in accordance with the provisions of the Walsh-Healey Public Contracts Act (49 Stat. 2036; 41 U.S.C. 35-45).

Coordination of  
enforcement by  
Federal agencies.

SEC. 104. (a) Any officer or person designated as inspector of the work to be performed under any contract of the character specified in section 103, or to aid in the enforcement or fulfillment thereof shall, upon observation or investigation, forthwith report to the proper officer of the United States, of any territory or possession, or of the District of Columbia, all violations of the provisions of this Act occurring in the performance of such work, together with the name of each laborer or mechanic who was required or permitted to work in violation of such provisions and the day or days of such violation. The amount of unpaid wages and liquidated damages owing under the provisions of this Act shall be administratively determined and the officer or person whose duty it is to approve the payment of moneys by the United States, the territory, or the District of Columbia in connection with the performance of the contract work shall direct the amount of such liquidated damages to be withheld for the use and benefit of the United States, said territory, or said District, and shall direct the

amount of such unpaid wages to be withheld for the use and benefit of the laborers and mechanics who were not compensated as required under the provisions of this Act. The Comptroller General of the United States is hereby authorized and directed to pay directly to such laborers and mechanics, from the sums withheld on account of underpayments of wages, the respective amounts administratively determined to be due, if the funds withheld are adequate, and, if not, an equitable proportion of such amounts.

(b) If the accrued payments withheld under the terms of the contracts, as aforesaid, are insufficient to reimburse all the laborers and mechanics with respect to whom there has been a failure to pay the wages required pursuant to this Act, such laborers and mechanics shall, in the case of a department or agency of the Federal Government, have the rights of action and/or of intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in such proceedings it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or voluntarily made refunds.

(c) Any contractor or subcontractor aggrieved by the withholding of a sum as liquidated damages as provided in this Act shall have the right, within sixty days thereafter, to appeal to the head of the agency of the United States or of the territory for which the contract work is done or by which financial assistance for the work is provided, or to the Commissioners of the District of Columbia in the case of liquidated damages withheld for the use and benefit of said District. Such agency head or Commissioners, as the case may be, shall have authority to review the administrative determination of liquidated damages and to issue a final order affirming such determination; or, if it is found that the sum determined is incorrect or that the contractor or subcontractor violated the provisions of this Act inadvertently notwithstanding the exercise of due care on his part and that of his agents, recommendations may be made to the Secretary that an appropriate adjustment in liquidated damages be made, or that the contractor or subcontractor be relieved of liability for such liquidated damages. The Secretary shall review all pertinent facts in the matter and may conduct such investigations as he deems necessary, so as to affirm or reject the recommendation. The decision of the Secretary shall be final. In all such cases in which a contractor or subcontractor may be aggrieved by a final order for the withholding of liquidated damages as hereinbefore provided, such contractor or subcontractor may, within sixty days after such final order, file a claim in the Court of Claims: *Provided, however*, That final orders of the agency head, the Commissioners of the District of Columbia or the Secretary, as the case may be, shall be conclusive with respect to findings of fact if such findings are supported by substantial evidence.

Right to  
appeal.

(d) Reorganization Plan Numbered 14 of 1950 (15 F.R. 3175; 64 Stat. 1267) shall be applicable with respect to the provisions of this Act, and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, 54 Stat. 1236, 63 Stat. 108; 40 U.S.C. 276c), shall be applicable with respect to those contractors and subcontractors referred to therein who are engaged in the performance of contracts subject to the provisions of this Act.

72 Stat. 967.

SEC. 105. The Secretary may provide such reasonable limitations and may make such rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this Act as he may find necessary and proper in the public interest to prevent injustice or undue hardship or to avoid serious impairment of the conduct of Government business.

Limitations, ex-  
emptions.

SEC. 106. Any contractor or subcontractor whose duty it shall be to employ, direct, or control any laborer or mechanic employed in the

Violations.

## Penalty.

performance of any work contemplated by any contract to which this Act applies, who shall intentionally violate any provision of this Act, shall be deemed guilty of a misdemeanor, and for each and every such offense shall, upon conviction, be punished by a fine of not to exceed \$1,000 or by imprisonment for not more than six months, or by both such fine and imprisonment, in the discretion of the court having jurisdiction thereof.

## TITLE II—MISCELLANEOUS AND EFFECTIVE DATE

## 5 USC 673c.

SEC. 201. The proviso of section 23 of the Act of March 28, 1934 (48 Stat. 509, 522), as amended, is hereby amended to read as follows: "*Provided*, That the regular hours of labor are hereby established at not more than eight per day or forty per week, but work in excess of such hours shall be permitted when administratively determined to be in the public interest: *Provided further*, That overtime work in excess of eight hours per day or in excess of forty hours per week shall be compensated for at not less than time and one-half the basic rate of compensation, except that employees subject to this section who are regularly required to remain at or within the confines of their post of duty in excess of eight hours per day in a standby or on-call status shall be paid overtime rates only for hours of duty, exclusive of eating and sleeping time, in excess of forty per week."

## 62 Stat. 942.

SEC. 202. (a) Section 1499 of title 28, United States Code, is hereby amended to read as follows:

**"§ 1499. Liquidated damages withheld from contractors under Contract Work Hours Standards Act**

## Ante, p. 358.

"The Court of Claims shall have jurisdiction to render judgment upon any claim for liquidated damages withheld from a contractor or subcontractor under section 104 of the Contract Work Hours Standards Act."

37 Stat. 137;  
62 Stat. 989.

(b) The Court of Claims shall continue to have jurisdiction to render judgment upon any claim for a penalty withheld from a contractor or subcontractor under section 324 of title 40, United States Code, in connection with any contract subject to said section existing on the effective date of this Act, or thereafter entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

## Repeals.

SEC. 203. The following statutes are hereby repealed: Sections 1 and 2 of the Act of August 1, 1892 (27 Stat. 340; 40 U.S.C. 321, 322), as amended by the Act of March 3, 1913 (37 Stat. 726); sections 892 and 893 of the Act of March 3, 1901 (31 Stat. 1334; D.C. Code, 1961 edition, secs. 22-3407, 3408); the Act of June 19, 1912 (37 Stat. 137; 40 U.S.C. 324, 325), as amended by the Act of June 25, 1948 (62 Stat. 989); that portion of the Naval Service Appropriation Act, 1918 (Act of March 4, 1917, 39 Stat. 1192), which is codified as section 326 of title 40 of the United States Code (1952 edition); and section 303 of the Second Supplemental Defense Appropriations Act, 1941 (54 Stat. 884; 40 U.S.C. 325a). The provisions of such statutes shall, notwithstanding, continue to apply with respect to contracts existing on the effective date of this Act or entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

## Effective date.

SEC. 204. This Act shall take effect sixty days after its enactment, but shall not affect any contract then existing or any contract that may thereafter be entered into pursuant to invitations for bids that are outstanding at the time of the enactment of this Act.

Approved August 13, 1962, 11:46 a.m.



## Public Law 87-582

## AN ACT

Making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1963, and for other purposes.

August 14, 1962  
[H. R. 10904]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1963, namely:

Departments of  
Labor, and Health,  
Education, and  
Welfare Appropria-  
tion Act, 1963.

## TITLE I—DEPARTMENT OF LABOR

Department of  
Labor Appropria-  
tion Act, 1963.

## BUREAU OF LABOR STATISTICS

## SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the work of the Bureau of Labor Statistics, including advances or reimbursement to State, Federal, and local agencies and their employees for services rendered, \$14,158,000.

## REVISION OF THE CONSUMER PRICE INDEX

For expenses necessary to enable the Bureau of Labor Statistics to revise the Consumer Price Index, including not to exceed \$250,000 for temporary employees at rates to be fixed by the Secretary of Labor (but not to exceed a rate equivalent to that for general schedule grade 9) without regard to the civil service laws and Classification Act of 1949, as amended, \$1,333,000.

63 Stat. 954.  
5 USC 1071 note.

## BUREAU OF INTERNATIONAL LABOR AFFAIRS

## SALARIES AND EXPENSES

For expenses necessary for the conduct of international labor affairs, \$785,000.

## OFFICE OF AUTOMATION AND MANPOWER

## SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the performance of the functions of the Secretary in the fields of automation and manpower, \$800,000.

## AREA REDEVELOPMENT ACTIVITIES

## SALARIES AND EXPENSES

For expenses necessary to carry into effect sections 16 and 17 of the Area Redevelopment Act (Public Law 87-27), including grants or reimbursements to States, \$11,041,000.

75 Stat. 58,  
59,  
42 USC 2513,  
2514.

## MANPOWER DEVELOPMENT AND TRAINING ACTIVITIES

For expenses necessary to carry into effect the Manpower Development and Training Act of 1962 (Public Law 87-415), \$70,000,000.

Ante, p. 23.

## WELFARE AND PENSION PLAN REPORTS ACTIVITIES

For expenses necessary for performing the functions vested in the Secretary by the Welfare and Pension Plans Disclosure Act, as amended (72 Stat. 997; 76 Stat. 35), \$1,300,000, to be transferred to "Salaries and expenses, Bureau of Labor Standards."

29 USC 301 note.

## BUREAU OF APPRENTICESHIP AND TRAINING

## SALARIES AND EXPENSES

For expenses necessary to enable the Secretary to conduct a program of encouraging apprentice training, as authorized by the Acts of March 4, 1913 (5 U.S.C. 611), and August 16, 1937 (29 U.S.C. 50), \$5,026,000.

37 Stat. 736;  
50 Stat. 664.

## BUREAU OF EMPLOYMENT SECURITY

## LIMITATION ON SALARIES AND EXPENSES

For expenses necessary for the general administration of the employment service and unemployment compensation programs, including temporary employment of persons, without regard to the civil-service laws, for the farm placement migratory labor program; not more than \$11,500,000 may be expended from the employment security administration account in the Unemployment trust fund, of which \$1,400,000 shall be for carrying into effect the provisions of title IV (except section 602) of the Servicemen's Readjustment Act of 1944.

58 Stat. 293;  
72 Stat. 1273.

## LIMITATION ON GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

For grants in accordance with the provisions of the Act of June 6, 1933, as amended (29 U.S.C. 49-49n), for carrying into effect section 602 of the Servicemen's Readjustment Act of 1944, for grants to the States as authorized in title III of the Social Security Act, as amended (42 U.S.C. 501-503), including, upon the request of any State, the purchase of equipment, and the payment of rental for space made available to such State in lieu of grants for such purpose, for necessary expenses including purchasing and installing of air-conditioning equipment in connection with the operation of employment office facilities and services in the District of Columbia, and for the acquisition of a building through such arrangements as may be required to provide quarters for such offices and facilities in the District of Columbia and for the District of Columbia Unemployment Compensation Board, including conveyance by the Commissioners of the District of Columbia to the United States of title to the land on which such building is to be situated, subject to the same conditions with respect to the use of these funds for such purposes as are applicable to the procurement of buildings for other State employment security agencies, and for expenses not otherwise provided for, necessary for carrying out title XV of the Social Security Act, as amended (68 Stat. 1130), \$400,000,000 may be expended from the employment security administration account in the Unemployment trust fund, and of which \$15,000,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant (or the allocation for the District of Columbia) was based, which increased costs of administration

48 Stat. 113.  
58 Stat. 294;  
72 Stat. 1273.

49 Stat. 626.

42 USC 1361-  
1371.

cannot be provided for by normal budgetary adjustments: *Provided*, That notwithstanding any provision to the contrary in section 302(a) of the Social Security Act, as amended, the Secretary of Labor shall from time to time certify to the Secretary of the Treasury for payment to each State found to be in compliance with the requirements of the Act of June 6, 1933, and, except in the case of Guam and the Virgin Islands, with the provisions of section 303 of the Social Security Act, as amended, such amounts as he determines to be necessary for the proper and efficient administration of its unemployment compensation law and of its public employment offices: *Provided further*, That such amounts as may be agreed upon by the Department of Labor and the Post Office Department shall be used for the payment, in such manner as said parties may jointly determine, of postage for the transmission of official mail matter in connection with the administration of unemployment compensation systems and employment services by States receiving grants herefrom: *Provided further*, That notwithstanding section 901(c)(1)(A) of the Social Security Act, the limitation on the amount authorized to be made available for the fiscal year ending June 30, 1963, for the purposes specified in such section 901(c)(1)(A) is hereby increased to \$400,000,000.

42 USC 502.

29 USC 49-49n.

42 USC 503.

74 Stat. 970.

42 USC 1101.

In carrying out the provisions of said Act of June 6, 1933, the provisions of section 303(a)(1) of the Social Security Act, as amended, relating to the establishment and maintenance of personnel standards on the merit basis, shall apply.

None of the funds appropriated by this title to the Bureau of Employment Security for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

Grants to States, next succeeding fiscal year: For making, after May 31 of the current fiscal year, payments to States under title III of the Social Security Act, as amended, and under the Act of June 6, 1933, as amended, for the first quarter of the next succeeding fiscal year, such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under such title and under such Act of June 6, 1933, to be charged to the appropriation therefor for that fiscal year: *Provided*, That the payments made pursuant to this paragraph shall not exceed the amount paid to the States for the first quarter of the current fiscal year.

42 USC 501-503.

29 USC 49-49n.

#### UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES AND EX-SERVICEMEN

For payments to unemployed Federal employees and ex-servicemen, either directly or through payments to States, as authorized by title XV of the Social Security Act, as amended, \$129,000,000.

Unemployment compensation for Federal employees and ex-servicemen, next succeeding fiscal year: For making, after May 31 of the current fiscal year, payments to States, as authorized by title XV of the Social Security Act, as amended, such amounts as may be required for payment to unemployed Federal employees and ex-servicemen for the first quarter of the next succeeding fiscal year, and the obligations and expenditures thereunder shall be charged to the appropriation therefor for that fiscal year: *Provided*, That the payments made

68 Stat. 1130.  
42 USC 1361-  
1371.

pursuant to this paragraph shall not exceed the amount paid to the States for the first quarter of the current fiscal year.

#### COMPLIANCE ACTIVITIES, MEXICAN FARM LABOR PROGRAM

For expenses necessary to enable the Department to determine compliance with the provisions of contracts entered into pursuant to the Act of July 12, 1951, as amended, \$1,344,500.

65 Stat. 119;  
75 Stat. 761.  
7 USC 1461-  
1468.

#### SALARIES AND EXPENSES, MEXICAN FARM LABOR PROGRAM

For expenses, not otherwise provided for, necessary to carry out the functions of the Department of Labor under the Act of July 12, 1951, as amended (7 U.S.C. 1461-1468), including temporary employment of persons without regard to the civil-service laws, \$2,048,500, which shall be derived by transfer from the Farm labor supply revolving fund.

#### BUREAU OF VETERANS' REEMPLOYMENT RIGHTS

##### SALARIES AND EXPENSES

For expenses necessary to render assistance in connection with the exercise of reemployment rights under section 8 of the Selective Training and Service Act of 1940, as amended (50 U.S.C. App. 308), the Service Extension Act of 1941, as amended (50 U.S.C. App. 351), the Army Reserve and Retired Personnel Service Law of 1940, as amended (50 U.S.C. App. 401), and section 9 of the Universal Military Training and Service Act (50 U.S.C. App. 459), and the Reserve Forces Act of 1955 (69 Stat. 598), \$633,000.

54 Stat. 890.  
55 Stat. 626.  
  
54 Stat. 858.  
62 Stat. 614;  
75 Stat. 821.  
50 USC 925  
note.

#### BUREAU OF LABOR STANDARDS

##### SALARIES AND EXPENSES

For expenses necessary for the promotion of industrial safety, employment stabilization, and amicable industrial relations for labor and industry; performance of safety functions of the Secretary under the Federal Employees' Compensation Act, as amended (5 U.S.C. 784(c)) and the Longshoremen's and Harbor Workers' Compensation Act, as amended (72 Stat. 835); performance of the functions vested in the Secretary by sections 8 (b) and (c) of the Welfare and Pension Plans Disclosure Act (72 Stat. 977); and not less than \$281,700 for the work of the President's Committee on Employment of the Physically Handicapped, as authorized by the Act of July 11, 1949 (63 Stat. 409); \$3,244,000: *Provided*, That no part of the appropriation for the President's Committee shall be subject to reduction or transfer to any other department or agency under the provisions of any existing law; including purchase of reports and of material for informational exhibits.

39 Stat. 749.  
33 USC 901.  
  
72 Stat. 1002.  
29 USC 307.

#### BUREAU OF LABOR-MANAGEMENT REPORTS

##### SALARIES AND EXPENSES

For expenses necessary for the Bureau of Labor-Management Reports, \$5,675,000.

## BUREAU OF EMPLOYEES' COMPENSATION

## SALARIES AND EXPENSES

For necessary administrative expenses and not to exceed \$103,225 for the Employees' Compensation Appeals Board, \$3,845,000, together with not to exceed \$55,800 to be derived from the fund created by section 44 of the Longshoremen's and Harbor Workers' Compensation Act, as amended (33 U.S.C. 944).

44 Stat. 1444.

## EMPLOYEES' COMPENSATION CLAIMS AND EXPENSES

For the payment of compensation and other benefits and expenses (except administrative expenses) authorized by law and accruing during the current or any prior fiscal year, including payments to other Federal agencies for medical and hospital services pursuant to agreement approved by the Bureau of Employees' Compensation; continuation of payment of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the advancement of costs for enforcement of recoveries in third-party cases; the furnishing of medical and hospital services and supplies, treatment, and funeral and burial expenses, including transportation and other expenses incidental to such services, treatment, and burial, for such enrollees of the Civilian Conservation Corps as were certified by the Director of such Corps as receiving hospital services and treatment at Government expense on June 30, 1943, and who are not otherwise entitled thereto as civilian employees of the United States, and the limitations and authority of the Act of September 7, 1916, as amended (5 U.S.C. 796), shall apply in providing such services, treatment, and expenses in such cases and for payments pursuant to sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); \$62,071,000: *Provided*, That, in the adjudication of claims under section 42 of the said Act of 1916, for benefits payable from this appropriation, authority under section 32 of the Act to make rules and regulations shall be construed to include the nature and extent of the proofs and evidence required to establish the right to such benefits without regard to the date of the injury or death for which claim is made.

60 Stat. 696.

39 Stat. 742;  
48 Stat. 351.62 Stat. 1242.  
42 USC 1702;  
50 USC app. 2003,  
2004.  
5 USC 793.  
5 USC 783.

## WOMEN'S BUREAU

## SALARIES AND EXPENSES

For expenses necessary for the work of the Women's Bureau, as authorized by the Act of June 5, 1920 (29 U.S.C. 11-16), including purchase of reports and material for informational exhibits, \$893,000.

41 Stat. 987.

## WAGE AND HOUR DIVISION

## SALARIES AND EXPENSES

For expenses necessary for performing the duties imposed by the Fair Labor Standards Act of 1938, as amended, and the Act to provide conditions for the purchase of supplies and the making of contracts by the United States, approved June 30, 1936, as amended (41 U.S.C. 35-45), including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, \$17,715,000.

52 Stat. 1060.  
29 USC 201.

49 Stat. 2036.

## OFFICE OF THE SOLICITOR

## SALARIES AND EXPENSES

For expenses necessary for the Office of the Solicitor, \$4,261,000, together with not to exceed \$122,000 to be derived from the Employment Security Administration account, Unemployment Trust Fund.

## OFFICE OF THE SECRETARY

## SALARIES AND EXPENSES

For expenses necessary for the Office of the Secretary of Labor, including expenses of commissions or boards to resolve labor-management disputes, \$2,026,000, together with not to exceed \$132,000 to be derived from the Employment Security Administration account, Unemployment Trust Fund.

Citation of title.

This title may be cited as the "Department of Labor Appropriation Act, 1963".

Department of  
Health, Educa-  
tion, and Wel-  
fare Appropria-  
tion Act, 1963.

## TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## FOOD AND DRUG ADMINISTRATION

## SALARIES AND EXPENSES

For necessary expenses not otherwise provided for, of the Food and Drug Administration, including reporting and illustrating the results of investigations; purchase of chemicals, apparatus, and scientific equipment; payment in advance for special tests and analyses by contract; and payment of fees, travel, and per diem in connection with studies of new developments pertinent to food and drug enforcement operations; \$28,280,000.

## SALARIES AND EXPENSES, CERTIFICATION, INSPECTION, AND OTHER SERVICES

For expenses necessary for the listing, certification, or inspection of certain products, and for the establishment of tolerances for pesticides and color additives, in accordance with sections 406, 408, 504, 506, 507, 604, 702A, and 706 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 346, 346a, 354, 356, 357, 364, 372a, and 376), the aggregate of the advance deposits during the current fiscal year to cover payments of fees for services in connection with such certifications, inspections, or establishment of tolerances, to remain available until expended. The total amount herein appropriated shall be available for purchase of chemicals, apparatus, and scientific equipment; expenses of advisory committees; and the refund of advance deposits for which no service has been rendered.

## OFFICE OF EDUCATION

## PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

For carrying out the provisions of titles I and II of the Vocational Education Act of 1946, as amended (20 U.S.C. 15i-15m, 15o-15q, 15aa-15jj), section 1 of the Act of March 3, 1931 (20 U.S.C. 30), the Act of March 18, 1950 (20 U.S.C. 31-33), and section 9 of the Act of August 1, 1956 (20 U.S.C. 34), \$34,716,000, of which \$5,000,000 shall be for practical nurse training under such title II of the Vocational Education Act of 1946, as amended, and \$180,000 for vocational educa-

60 Stat. 775;  
70 Stat. 925;  
46 Stat. 1489;  
64 Stat. 27.  
70 Stat. 909.

tion in the fishery trades and industry including distributive occupations therein: *Provided*, That the amount of allotment which States and Territories are not prepared to use may be reapportioned among other States and Territories applying therefor for use in the programs for which the funds were originally apportioned.

FURTHER ENDOWMENT OF COLLEGES OF AGRICULTURE AND THE MECHANIC  
ARTS

For carrying out the provisions of section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), \$11,950,000.

74 Stat. 525.

GRANTS FOR LIBRARY SERVICES

For grants to the States, pursuant to the Act of June 19, 1956, as amended (20 U.S.C. 351-358), \$7,500,000.

70 Stat. 293.

PAYMENTS TO SCHOOL DISTRICTS

For payments to local educational agencies for the maintenance and operation of schools as authorized by the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), \$282,322,000: *Provided*, That this appropriation shall also be available for carrying out the provisions of section 6 of such Act.

64 Stat. 1100.  
20 USC 236-245.

ASSISTANCE FOR SCHOOL CONSTRUCTION

For an additional amount for providing school facilities and for grants to local educational agencies in federally affected areas, as authorized by the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), including not to exceed \$800,000 for necessary expenses during the current fiscal year of technical services rendered by other agencies, \$63,686,000, to remain available until expended: *Provided*, That no part of this appropriation shall be available for salaries or other direct expenses of the Department of Health, Education, and Welfare.

72 Stat. 548.  
20 USC 631-645.

For an additional amount for "Assistance for School Construction", fiscal year 1962, \$7,092,000.

DEFENSE EDUCATIONAL ACTIVITIES

For grants, loans, and payments under the National Defense Education Act of 1958 (72 Stat. 1580-1605), \$229,450,000, of which \$91,270,000 shall be for capital contributions to student loan funds and loans for non-Federal capital contributions to student loan funds, of which not to exceed \$1,300,000 shall be for such loans for non-Federal capital contributions; \$54,000,000 shall be for grants to States and loans to nonprofit private schools for science, mathematics, or modern foreign language equipment and minor remodeling of facilities; \$3,750,000 shall be for grants to States for supervisory and other services; \$15,000,000 shall be for grants to States for area vocational education programs; and \$15,000,000 shall be for grants to States for testing, guidance, and counseling: *Provided*, That no part of this appropriation shall be available for the purchase of science, mathematics, and modern language teaching equipment, or equipment suitable for use for teaching in such fields of education, which can be identified as originating in or having been exported from a Communist country, unless such equipment is unavailable from any other source: *Provided further*, That no part of this appropriation shall be available for graduate fellowships awarded initially under the provisions of the Act after the date of enactment of the Department of Health, Educa-

20 USC 401 note.

75 Stat. 594.

20 USC 401.

72 Stat. 1580.  
20 USC 401 note.20 USC 421-  
429.

tion, and Welfare Appropriation Act, 1962, which are not found by the Commissioner of Education to be consistent with the purpose of the Act as stated in section 101 thereof.

Loans and payments under the National Defense Education Act, next succeeding fiscal year: For making, after March 31 of the current fiscal year, loans and payments under title II of the National Defense Education Act, for the first quarter of the next succeeding fiscal year such sums as may be necessary, the obligations incurred and the expenditures made thereunder to be charged to the appropriation for the same purpose for that fiscal year: *Provided*, That the payments made pursuant to this paragraph shall not exceed the amount paid for the same purposes for the first quarter of the current fiscal year.

#### EXPANSION OF TEACHING IN EDUCATION OF THE MENTALLY RETARDED

72 Stat. 1777.

For grants to public or other nonprofit institutions of higher learning and to State educational agencies, pursuant to the Act of September 6, 1958, as amended (20 U.S.C. 611-617), \$1,000,000.

#### EXPANSION OF TEACHING IN EDUCATION OF THE DEAF

For grants to public or other nonprofit institutions of higher education for courses of study and scholarships for training teachers of the deaf, \$1,500,000.

#### COOPERATIVE RESEARCH

68 Stat. 533.

For cooperative research, surveys, and demonstrations in education as authorized by the Act of July 26, 1954 (20 U.S.C. 331-332), \$6,985,000.

#### SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, \$400,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such agency, for the purchase of the foregoing currencies.

#### SALARIES AND EXPENSES

For expenses necessary for the Office of Education, including surveys, studies, investigations, and reports regarding libraries; coordination of library service on the national level with other forms of adult education; development of library service throughout the country; purchase, distribution, and exchange of education documents, motion-picture films, and lantern slides; \$12,300,000.

#### OFFICE OF VOCATIONAL REHABILITATION

##### GRANTS TO STATES

68 Stat. 652.  
29 USC 31 note.

For grants to States in accordance with the Vocational Rehabilitation Act, as amended, \$72,940,000, of which \$71,240,000 is for vocational rehabilitation services under section 2 of said Act; and \$1,700,000 is for extension and improvement projects under section 3 of said Act: *Provided*, That allotments under section 2 of said Act to the States for the current fiscal year shall be made on the basis of \$110,000,000, and this amount shall be considered the sum available for allotments under such section for such fiscal year: *Provided fur-*



ther, That additional allotments, not exceeding \$240,000 in the aggregate, for grants under section 2 of said Act may be made, in accordance with regulations of the Secretary, to States in which the Federal share of the costs of rehabilitation services under such section exceeds their respective allotments from such \$110,000,000: *Provided further*, That the allotment to any State under section 3 (a) (1) of said Act shall be not less than \$15,000.

68 Stat. 654.  
29 USC 33.

Grants to States, next succeeding fiscal year: For making, after May 31, of the current fiscal year, grants to States under sections 2 and 3 of the Vocational Rehabilitation Act, as amended, for the first quarter of the next succeeding fiscal year such sums as may be necessary, the obligations incurred and the expenditures made thereunder to be charged to the appropriation therefor for that fiscal year: *Provided*, That the payments made pursuant to this paragraph shall not exceed the amount paid to the States for the first quarter of the current fiscal year.

#### RESEARCH AND TRAINING

For grants and other expenses (except administrative expenses) for research, training, traineeships, and other special projects, pursuant to section 4 of the Vocational Rehabilitation Act, as amended, for expenses of carrying out the training functions provided for in section 7 of said Act, and for expenses of studies, investigations, demonstrations, and reports, and of dissemination of information with respect thereto pursuant to section 7 of said Act, \$25,500,000.

#### RESEARCH AND TRAINING (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Vocational Rehabilitation, as authorized by law, \$2,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such agency, for the purchase of the foregoing currencies.

#### SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the Office of Vocational Rehabilitation, \$2,486,000.

#### PUBLIC HEALTH SERVICE

##### PREAMBLE

For necessary expenses in carrying out the Public Health Service Act, as amended (42 U.S.C., ch. 6A) (hereinafter referred to as the Act), and other Acts, including expenses for active commissioned officers in the Reserve Corps and for not to exceed two thousand six hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; expenses of primary and secondary schooling of dependents, in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, in amounts not to exceed an average of \$285 per student, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; not to exceed \$1,000 for entertainment of visiting scientists when

58 Stat. 682.  
42 USC 201 note.

42 USC 209.

specifically approved by the Surgeon General; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Act at rates established by the Surgeon General not to exceed \$19,000 per annum; as follows:

#### BUILDINGS AND FACILITIES

For construction, major repair, improvement, extension, and equipment of Public Health Service facilities, not otherwise provided, including plans and specifications and acquisition of sites, \$33,200,000, to remain available until expended.

#### ACCIDENT PREVENTION

42 USC 241.

To carry out section 301 of the Act, and for expenses necessary for demonstrations and training personnel for State and local health work pursuant to section 314(c) of the Act, with respect to accident prevention, \$3,668,000.

42 USC 246.

#### CHRONIC DISEASES AND HEALTH OF THE AGED

42 USC 243.  
75 Stat. 824.  
42 USC 247a.

To carry out sections 311 and 316 of the Act, and for expenses necessary for research, demonstrations, and technical assistance under section 301 of the Act and demonstrations and training personnel for State and local health work under section 314(c) of the Act, with respect to chronic diseases and health problems of the aged, and for allotments and payments to States under section 314(c) of the Act for establishing and maintaining adequate public health services for the chronically ill and the aged, \$22,942,000, of which \$13,000,000 shall be available only for such allotments and payments to States under section 314(c) of the Act.

#### COMMUNICABLE DISEASE ACTIVITIES

42 USC 241, 243,  
246, 264.

To carry out, except as otherwise provided for, those provisions of sections 301, 311, 314(c), and 361 of the Act relating to the prevention and suppression of communicable and preventable diseases, and the interstate transmission and spread thereof, including the purchase of not to exceed five passenger motor vehicles for replacement only; and hire, maintenance, and operation of aircraft; \$10,062,000.

#### COMMUNITY HEALTH PRACTICE AND RESEARCH

42 USC 242d,  
242g, 243, 246.

To carry out, to the extent not otherwise provided, sections 306, 309, 311, and 314(c) of the Act and for expenses, not otherwise provided for, necessary for research, technical assistance, and demonstrations pursuant to section 301 of the Act, \$25,776,000.

#### CONTROL OF TUBERCULOSIS

42 USC 246.

To carry out the purposes of section 314(b) of the Act, \$6,993,000, of which \$1,250,000 shall be available for grants of money, services, supplies and equipment to States, and with the approval of the respective State health authority, to counties, health districts and other political subdivisions of the States for the control of tuberculosis in such amounts and upon such terms and conditions as the Surgeon General may determine, and of which not less than \$3,250,000 shall be available only for grants to States, to be matched by an equal amount of State and local funds expended for the same purpose, for direct

expenses of prevention and case-finding projects, including salaries, fees, and travel of personnel directly engaged in prevention and case finding and the necessary equipment and supplies used directly in prevention and case-finding operations, but excluding the purchase of care in hospitals and sanatoriums.

#### CONTROL OF VENEREAL DISEASES

To carry out the purposes of sections 314(a) and 363 of the Act with respect to venereal diseases and for grants of money, services, supplies, equipment, and use of facilities to States, as defined in the Act, and with the approval of the respective State health authorities, to counties, health districts, and other political subdivisions of the States, for venereal disease control activities, in such amounts and upon such terms and conditions as the Surgeon General may determine; \$8,000,000. 42 USC 246; 42 USC 266.

#### DENTAL SERVICES AND RESOURCES

To carry out section 311 of the Act, and for expenses necessary for research, demonstrations, and technical assistance under section 301 of the Act, with respect to dental health activities, except as otherwise provided for the National Institute of Dental Research, \$3,006,000. 42 USC 243. 42 USC 241.

#### NURSING SERVICES AND RESOURCES

To carry out section 311 of the Act, and for expenses necessary for research, demonstrations, and technical assistance pursuant to section 301 of the Act, with respect to nursing services and resources, and to carry out section 307 of the Act, \$8,438,000. 70 Stat. 924. 42 USC 242e.

#### HOSPITAL CONSTRUCTION ACTIVITIES

To carry out the provisions of title VI of the Act, as amended, \$226,220,000, of which \$150,000,000 shall be for grants or loans for hospitals and related facilities pursuant to part C, \$4,200,000 shall be for the purposes authorized in section 636, and \$70,000,000 shall be for grants or loans for facilities pursuant to part G, as follows: \$20,000,000 for diagnostic or treatment centers, \$20,000,000 for hospitals for the chronically ill and impaired, \$10,000,000 for rehabilitation facilities, and \$20,000,000 for nursing homes: *Provided*, That allotments under such parts C and G to the several States for the current fiscal year shall be made on the basis of amounts equal to the limitations specified herein: *Provided further*, That funds made available under section 636 for experimental or demonstration construction or equipment projects shall not be used to pay in excess of two-thirds of the cost of such projects as determined by the Surgeon General. 60 Stat. 1041. 42 USC 291-291z. 42 USC 291d-291h. 42 USC 291n. 68 Stat. 462. 42 USC 291s-291v.

#### AIR POLLUTION

To carry out the Act of July 14, 1955, as amended (42 U.S.C. 1857-1857f), and for expenses necessary to carry out the purposes of sections 301 and 311 of the Act relating to air pollution, including hire, maintenance, and operation of aircraft; \$11,069,000, to remain available only until June 30, 1963. 69 Stat. 322; 73 Stat. 546. 42 USC 241, 243.

## MILK, FOOD, INTERSTATE, AND COMMUNITY SANITATION

42 USC 241,  
243, 264.

42 USC 246.

To carry out sections 301, 311, and 361 of the Act, and for expenses necessary for demonstrations and training personnel for State and local health work under section 314(c) of the Act, with respect to milk, food, and community sanitation, and interstate quarantine and arctic health activities, including purchase of not to exceed two passenger motor vehicles, \$8,536,000.

## OCCUPATIONAL HEALTH

To carry out sections 301 and 311 of the Act, and for expenses necessary for demonstrations and training personnel for State and local health work under section 314(c) of the Act, with respect to occupational health, \$4,122,000.

## RADIOLOGICAL HEALTH

To carry out sections 301, 311, and 314(c) of the Act, with respect to radiological health, including grants for training of radiological health specialists; purchase of not to exceed four passenger motor vehicles of which two shall be for replacement only; and hire, maintenance, and operation of aircraft; \$15,875,000, of which \$1,500,000 shall be available only for allotments and payments to States pursuant to such section 314(c) for the establishment and maintenance of adequate radiological public health services.

## WATER SUPPLY AND WATER POLLUTION CONTROL

70 Stat. 498.

75 Stat. 205,  
206.

To carry out sections 301, 311, and 361 of the Act with respect to water supply and water pollution control, and to carry out the Federal Water Pollution Control Act, as amended (33 U.S.C. 466–466d, 466f–466k), \$24,707,000, including \$4,700,000 for grants to States and \$300,000 for grants to interstate agencies under section 5 of the Federal Water Pollution Control Act, as amended.

## GRANTS FOR WASTE TREATMENT WORKS CONSTRUCTION

75 Stat. 206.

For payments under section 6 of the Water Pollution Control Act, as amended (33 U.S.C. 466e), \$90,000,000.

## HOSPITALS AND MEDICAL CARE

60 Stat. 903.  
42 USC 241,  
248 *et seq.*

68 Stat. A74;  
69 Stat. 76.

3 CFR, 1943  
Cum. Supp.,  
p. 1101.

For carrying out the functions of the Public Health Service, not otherwise provided for, under the Act of August 8, 1946 (5 U.S.C. 150), and under sections 301 (with respect to research conducted at facilities financed by this appropriation), 321, 322, 324, 326, 331, 332, 341, 343, 344, 502, and 504 of the Act, section 810 of the Act of July 1, 1944, as amended (33 U.S.C. 763c), Private Law 419 of the Eighty-third Congress, as amended, and Executive Order 9079 of February 26, 1942, including purchase and exchange of farm products and livestock; purchase of not to exceed two passenger motor vehicles for replacement only; and purchase of firearms and ammunition; \$47,602,000, of which \$1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided*, That when the Public Health Service establishes or operates a health service program for any department or agency, payment for the estimated cost shall be made in advance for deposit to the credit of this appropriation: *Provided further*, That this appropriation shall be available for medical, surgical, and dental treatment

and hospitalization of retired ships' officers and members of crews of Coast and Geodetic Survey vessels, and their dependents, and for payment therefor.

#### FOREIGN QUARANTINE ACTIVITIES

For carrying out the purposes of sections 361 to 369 of the Act, relating to preventing the introduction of communicable diseases from foreign countries, the medical examination of aliens in accordance with section 325 of the Act, and the care and treatment of quarantine detainees pursuant to section 322(e) of the Act in private or other public hospitals when facilities of the Public Health Service are not available, including insurance of official motor vehicles in foreign countries when required by law of such countries, and purchase of not to exceed four passenger motor vehicles for replacement only, \$5,892,000.

42 USC 264, 272.

42 USC 252.

42 USC 249.

#### GENERAL RESEARCH AND SERVICES, NATIONAL INSTITUTES OF HEALTH

For the activities of the National Institutes of Health, not otherwise provided for, including research fellowships and grants for research projects and training grants pursuant to section 301 of the Act; regulation and preparation of biologic products, and conduct of research related thereto; and grants of therapeutic and chemical substances for demonstrations and research; \$159,826,000: *Provided*, That funds advanced to the National Institutes of Health management fund from appropriations included in this Act shall be available for purchase of not to exceed thirteen passenger motor vehicles, of which twelve shall be for replacement only; and not to exceed \$2,500 for entertainment of visiting scientists when specifically approved by the Surgeon General: *Provided further*, That all appropriations made to the Public Health Service in this Act, and available for research or training projects, may be expended pursuant to contracts made on a cost or other basis for supplies and services, including indemnification of contractors to the extent and subject to the limitations provided in title 10, United States Code, section 2354, except that approval and certification required thereby shall be by the Surgeon General.

42 USC 241.

70A Stat. 134.

#### NATIONAL CANCER INSTITUTE

To enable the Surgeon General, upon the recommendations of the National Advisory Cancer Council, to make grants-in-aid for research and training projects relating to cancer; to cooperate with State health agencies, and other public and private nonprofit institutions, in the prevention, control, and eradication of cancer by providing consultative services, demonstrations, and grants-in-aid; and to otherwise carry out the provisions of title IV, part A, of the Act; \$155,742,000.

42 USC 281-286.

#### MENTAL HEALTH ACTIVITIES

For expenses necessary for carrying out the provisions of sections 301, 302, 303, 311, 312, and 314(c) of the Act with respect to mental diseases, \$143,599,000.

42 USC 241 *et seq.*

#### NATIONAL HEART INSTITUTE

For expenses necessary to carry out the purposes of the National Heart Act, \$147,398,000.

62 Stat. 464.  
42 USC 287 note.

## NATIONAL INSTITUTE OF DENTAL RESEARCH

For expenses, not otherwise provided for, necessary to enable the Surgeon General to carry out the purposes of the Act with respect to dental diseases and conditions, \$21,199,000.

## ARTHRITIS AND METABOLIC DISEASE ACTIVITIES

For expenses necessary to carry out the purposes of the Act relating to arthritis, rheumatism, and metabolic diseases, \$103,388,000.

## ALLERGY AND INFECTIOUS DISEASE ACTIVITIES

For expenses, not otherwise provided for, necessary to carry out the purposes of the Act relating to allergy and infectious diseases, \$66,142,000, of which \$250,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

## NEUROLOGY AND BLINDNESS ACTIVITIES

For expenses necessary to carry out the purposes of the Act relating to neurology and blindness; to cooperate with State health agencies, and other public and private nonprofit institutions, in the prevention, control, and eradication of neurological and sensory diseases and blindness by providing for consultative services, training, demonstrations, and other control activities, directly and through grants-in-aid, \$83,506,000.

## GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES

For grants pursuant to Title VII of the Act, \$50,000,000.

42 USC 292-292i.

## SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Public Health Service, as authorized by law, \$2,800,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to the Public Health Service, for the purchase of the foregoing currencies.

## NATIONAL HEALTH STATISTICS

For expenses of the National Center for Health Statistics in carrying out the provisions of sections 301, 305, 312(a), 313, 314(c), and 315 of the Act, \$5,150,000.

42 USC 241, 242c, 244a, 245, 246, 247.

## NATIONAL LIBRARY OF MEDICINE

To carry out section 301 of the Act with respect to translation of foreign scientific documents and for expenses, not otherwise provided for, necessary to carry out the National Library of Medicine Act (42 U.S.C. 275), including purchase of not to exceed one passenger motor vehicle, \$3,335,000.

58 Stat. 691.  
42 USC 241.

70 Stat. 960.

## RETIRED PAY OF COMMISSIONED OFFICERS

For retired pay of commissioned officers, as authorized by law, and for payments under the Uniformed Services Contingency Option Act

of 1953 and payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C., ch. 55), such amount as may be required during the current fiscal year.

67 Stat. 501.  
37 USC 371 note.  
70 Stat. 250; 72  
Stat. 1569, 1445.

#### SALARIES AND EXPENSES, OFFICE OF THE SURGEON GENERAL

For the divisions and offices of the Office of the Surgeon General and for miscellaneous expenses of the Public Health Service not appropriated for elsewhere, including preparing information, articles, and publications related to public health; and conducting studies and demonstrations in public health methods, \$5,850,000.

#### SAINT ELIZABETHS HOSPITAL

##### SALARIES AND EXPENSES

For expenses necessary for the maintenance and operation of the hospital, including purchase of one passenger motor vehicle, clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, \$6,332,000.

##### BUILDINGS AND FACILITIES

For construction, alterations, extension, and equipment, of buildings and facilities on the grounds of the hospital, including preparation of plans and specifications, advertising, and supervision of construction, \$8,095,000, to remain available until expended.

#### SOCIAL SECURITY ADMINISTRATION

##### LIMITATION ON SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

For necessary expenses, not more than \$280,400,000 may be expended from the Federal old-age and survivors insurance trust fund: *Provided*, That such amounts as are required shall be available to pay the cost of necessary travel incident to medical examinations for verifying disabilities of individuals who file applications for disability determinations under title II of the Social Security Act, as amended: *Provided further*, That \$10,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes as amended (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workload within the existing limitation has been achieved.

42 USC 401-425.

Advances to States, next succeeding fiscal year: For making, after May 31 of the current fiscal year, advances to States under section 221(e) of the Social Security Act, as amended, for the first quarter of the next succeeding fiscal year, such sums as may be necessary from the above authorization may be expended from the Federal old-age and survivors insurance trust fund.

70 Stat. 823.  
42 USC 421.

##### GRANTS TO STATES FOR PUBLIC ASSISTANCE

For grants to States for old-age assistance, medical assistance for the aged, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled, as authorized in titles I, IV, X, and XIV of the Social Security Act, as amended (42 U.S.C. ch. 7, subchs. I, IV, X, and XIV), \$2,538,300,000, of which such amount as may be necessary shall be available for grants for any period in the prior fiscal year subsequent to March 31 of that year.

42 USC 301 et  
seq.

## ASSISTANCE FOR REPATRIATED UNITED STATES NATIONALS

75 Stat. 142.  
24 USC 321-329.  
45 Stat. 1495;  
55 Stat. 756.

For necessary expenses of carrying out section 1113 of the Social Security Act, as amended (42 U.S.C. 1313), and of carrying out the provisions of the Act of July 5, 1960 (74 Stat. 308), and for care and treatment in accordance with the Acts of March 2, 1929, and October 29, 1941, as amended (24 U.S.C. 191a, 196a), \$467,000.

## SALARIES AND EXPENSES, BUREAU OF FAMILY SERVICES

For expenses necessary for the Bureau of Family Services, \$3,585,000.

## GRANTS FOR MATERNAL AND CHILD WELFARE

42 USC 301 et seq.  
42 USC 702, 712.  
42 USC 704, 714.

For grants for maternal and child-health services, services for crippled children, and child-welfare services as authorized in title V, parts 1, 2, and 3, of the Social Security Act, as amended (42 U.S.C., ch. 7, subch. V; 74 Stat. 995-997), \$75,795,000, of which \$25,000,000 shall be available for services for crippled children, \$25,000,000 for maternal and child-health services, \$25,000,000 for child-welfare services, and \$795,000 for research or demonstration projects in child welfare: *Provided*, That any allotment to a State pursuant to section 502(b) or 512(b) of such Act shall not be included in computing for the purposes of subsections (a) and (b) of sections 504 and 514 of such Act an amount expended or estimated to be expended by the State: *Provided further*, That \$1,000,000 of the amount available under section 502(b) of such Act shall be used only for special projects for mentally retarded children.

## SALARIES AND EXPENSES, CHILDREN'S BUREAU

42 USC 191-194.  
42 USC 301 et seq.

For necessary expenses in carrying out the Act of April 9, 1912, as amended (42 U.S.C., ch. 6), and title V of the Social Security Act, as amended (42 U.S.C., ch. 7, subch. V), including purchase of reports and material for the publications of the Children's Bureau and of reprints for distribution, \$2,853,000: *Provided*, That no part of any appropriation contained in this title shall be used to promulgate or carry out any instructions, order, or regulation relating to the care of obstetrical cases which discriminate between persons licensed under State law to practice obstetrics: *Provided further*, That the foregoing proviso shall not be so construed as to prevent any patient from having the services of any practitioner of her own choice, paid for out of this fund, so long as State laws are complied with: *Provided further*, That any State plan which provides standards for professional obstetrical services in accordance with the laws of the State shall be approved.

## COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS IN SOCIAL SECURITY

70 Stat. 850.

For grants, contracts, and jointly financed cooperative arrangements for research or demonstration projects under section 1110 of the Social Security Act, as amended (42 U.S.C. 1310), \$1,100,000.

## SALARIES AND EXPENSES, OFFICE OF THE COMMISSIONER

For expenses necessary for the Office of the Commissioner of Social Security, \$711,000, together with not to exceed \$418,000 to be transferred from the Federal old-age and survivors insurance trust fund: *Provided*, That not to exceed \$11,000 shall be available to pay preparation costs for a meeting of the International Social Security Association.



Grants to States, next succeeding fiscal year: For making, after May 31 of the current fiscal year, payments to States under titles I, IV, V, X, and XIV, respectively, of the Social Security Act, as amended, for the first quarter of the next succeeding fiscal year, such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the appropriation therefor for that fiscal year.

42 USC 301 et  
seq.

In the administration of titles I, IV, V, X, and XIV, respectively, of the Social Security Act, as amended, payments to a State under any of such titles for any quarter in the period beginning April 1 of the prior year, and ending June 30 of the current year, may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which such plan was submitted for approval.

### SPECIAL INSTITUTIONS

#### AMERICAN PRINTING HOUSE FOR THE BLIND

##### EDUCATION OF THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-105), \$739,000.

20 Stat. 468.

#### SALARIES AND EXPENSES, FREEDMEN'S HOSPITAL

For expenses necessary for operation and maintenance, including repairs; furnishing, repairing, and cleaning of wearing apparel used by employees in the performance of their official duties; transfer of funds to the appropriation "Salaries and expenses, Howard University" for salaries of technical and professional personnel detailed to the hospital; payments to the appropriations of Howard University for actual cost of heat, light, and power furnished by such university; \$3,909,000: *Provided*, That no intern or resident physician receiving compensation from this appropriation on a full-time basis shall receive compensation in the form of wages or salary from any other appropriation in this title: *Provided further*, That the District of Columbia shall pay by check to Freedmen's Hospital, upon the Surgeon General's request, in advance at the beginning of each quarter, such amount as the Surgeon General calculates will be earned on the basis of rates approved by the Bureau of the Budget for the care of patients certified by the District of Columbia. Bills rendered by the Surgeon General on the basis of such calculations shall not be subject to audit or certification in advance of payment; but proper adjustment of amounts which have been paid in advance on the basis of such calculations shall be made at the end of each quarter: *Provided further*, That the Surgeon General may delegate the responsibilities imposed upon him by the foregoing proviso.

#### SALARIES AND EXPENSES, GALLAUDET COLLEGE

For the partial support of Gallaudet College, including personal services and miscellaneous expenses, and repairs and improvements, as authorized by the Act of June 18, 1954 (Public Law 420), \$1,458,000: *Provided*, That Gallaudet College shall be paid by the District of Columbia, in advance at the beginning of each quarter, at a rate not less than \$1,295 per school year for each student receiving elementary or secondary education pursuant to the Act of March 1, 1901 (31 D.C. Code 1008).

68 Stat. 265.  
D. C. Code 31-  
1025-1032.

31 Stat. 844.

## CONSTRUCTION, GALLAUDET COLLEGE

For construction, alteration, renovation, equipment, and improvement of buildings and facilities on the grounds of Gallaudet College, as authorized by the Act of June 18, 1954 (Public Law 420), under the supervision of the General Services Administration, including planning, architectural, and engineering services, \$1,065,000, to remain available until expended.

68 Stat. 265.  
D. C. Code 31-  
1025-1032.

## SALARIES AND EXPENSES, HOWARD UNIVERSITY

For the partial support of Howard University, including personal services and miscellaneous expenses and repairs to buildings and grounds, \$7,492,000.

## PLANS AND SPECIFICATIONS, HOWARD UNIVERSITY

For necessary expenses for the preparation of plans and specifications for construction, under the supervision of the General Services Administration, on the grounds of Howard University, of a social work building, and for conduct of a master development study, including architectural and engineering services, \$86,000, to remain available until expended.

## CONSTRUCTION AND PURCHASE OF BUILDINGS, HOWARD UNIVERSITY

For the construction and equipment of a classroom building, a women's dormitory, and powerplant facilities under the supervision of the General Services Administration, on the grounds of Howard University, and for purchase, renovation and equipment, under such supervision, of a warehouse service building, including engineering and architectural services and travel, \$5,531,000, to remain available until expended.

## OFFICE OF THE SECRETARY

## SALARIES AND EXPENSES

For expenses necessary for the Office of the Secretary, \$2,621,000, together with not to exceed \$359,000 to be transferred from the Federal old-age and survivors insurance trust fund.

## SALARIES AND EXPENSES, OFFICE OF FIELD ADMINISTRATION

For expenses necessary for the Office of Field Administration, \$3,335,000, together with not to exceed \$1,457,000 to be transferred from the Federal old-age and survivors insurance trust fund and not to exceed \$38,000 to be transferred from the Operating fund, Bureau of Federal Credit Unions.

## SURPLUS PROPERTY UTILIZATION

For expenses necessary for carrying out the provisions of subsections 203 (j), (k), (n), and (o), of the Federal Property and Administrative Services Act of 1949, as amended, relating to disposal of real and personal excess property for educational purposes, civil defense purposes, and protection of public health, \$870,000.

63 Stat. 385.  
40 USC 484.

## SALARIES AND EXPENSES, OFFICE OF THE GENERAL COUNSEL

For expenses necessary for the Office of the General Counsel, \$813,000, together with not to exceed \$29,000 to be transferred from the

appropriation "Salaries and expenses, certification, inspection, and other services", and not to exceed \$696,000 to be transferred from the Federal old-age and survivors insurance trust fund.

#### JUVENILE DELINQUENCY AND YOUTH OFFENSES

For grants for demonstration, evaluation, and training projects, and for technical assistance, relating to control of juvenile delinquency, and youth offenses, and for salaries and expenses in connection therewith, \$5,810,000, to remain available only until June 30, 1963.

#### GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title to the Social Security Administration for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

Withholding of funds.  
Restriction.

SEC. 202. The Secretary is authorized to make such transfers of motor vehicles, between bureaus and offices, without transfer of funds, as may be required in carrying out the operations of the Department.

Motor vehicle transfer.

SEC. 203. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount for indirect expenses in connection with such project in excess of 20 per centum of the direct costs.

Research, indirect costs.

SEC. 204. Appropriations to the Public Health Service available for research grants pursuant to the Public Health Service Act shall also be available, on the same terms and conditions as apply to non-Federal institutions, for research grants to hospitals of the Service, the Bureau of Prisons, Department of Justice, and to Saint Elizabeths Hospital.

58 Stat. 682.  
42 USC 201 note.

This title may be cited as the Department of Health, Education, and Welfare Appropriation Act, 1963.

Citation of title.

### TITLE III—NATIONAL LABOR RELATIONS BOARD

#### SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, \$20,250,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

61 Stat. 136;  
73 Stat. 542.

49 Stat. 450;  
61 Stat. 137.

52 Stat. 1060.

## TITLE IV—NATIONAL MEDIATION BOARD

## SALARIES AND EXPENSES

44 Stat. 577.

48 Stat. 1189.  
45 USC 153.

44 Stat. 586.

For expenses necessary for carrying out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151–188), including temporary employment of referees under section 3 of the Railway Labor Act, as amended, at rates not in excess of \$100 per diem; and emergency boards appointed by the President pursuant to section 10 of said Act (45 U.S.C. 160); \$1,904,000.

## TITLE V—RAILROAD RETIREMENT BOARD

## LIMITATION ON SALARIES AND EXPENSES

For expenses necessary for the Railroad Retirement Board, \$9,640,000, to be derived from the railroad retirement account.

## TITLE VI—FEDERAL MEDIATION AND CONCILIATION SERVICE

## SALARIES AND EXPENSES

61 Stat. 152.

For expenses necessary for the Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171–180, 182), including expenses of the Labor-Management Panel as provided in section 205 of said Act; expenses of boards of inquiry appointed by the President pursuant to section 206 of said Act; temporary employment of arbitrators, conciliators, and mediators on labor relations at rates not in excess of \$100 per diem; and Government-listed telephones in private residences and private apartments for official use in cities where mediators are officially stationed, but no Federal Mediation and Conciliation Service office is maintained; \$4,973,000.

## TITLE VII—INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

## CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

33 USC 567b.

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), \$5,000.

## TITLE VIII—UNITED STATES SOLDIERS' HOME

## LIMITATION ON OPERATION AND MAINTENANCE AND CAPITAL OUTLAY

For maintenance and operation of the United States Soldiers' Home, to be paid from the Soldiers' Home permanent fund, \$6,128,000: *Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army, upon the recommendation of the Board of Commissioners of the Home and the Surgeon General of the Army.

## TITLE IX—GENERAL PROVISIONS

SEC. 901. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a) but at rates not to exceed \$75 per diem for individuals, except as otherwise provided.

60 Stat. 810.

SEC. 902. Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

Uniforms or allowances.

68 Stat. 1114.

SEC. 903. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

Attendance at meetings.

SEC. 904. None of the funds contained in this Act for "Juvenile delinquency and youth offenses" shall be paid, for the purpose of conducting or assisting in conducting a research or demonstration project, to any person or organization registered with the Clerk of the House and the Secretary of the Senate under the Regulation of Lobbying Act.

Restriction.

SEC. 905. The Secretary of Labor and the Secretary of Health, Education, and Welfare, are each authorized to make available not to exceed \$5,000 from funds available for salaries and expenses under titles I and II, respectively, for entertainment, not otherwise provided for, of officials, visiting scientists, and other experts of other countries.

60 Stat. 839.  
2 USC 261 note.

This Act may be cited as the "Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1963".

Short title.

Approved August 14, 1962.

## Public Law 87-583

## AN ACT

To amend chapter 17 of title 38, United States Code, in order to authorize hospital and medical care for peacetime veterans suffering from noncompensable service-connected disabilities.

August 14, 1962  
[S. 3109]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (1) of section 610(a) of title 38, United States Code, is amended to read as follows:

"(1) (A) any veteran for a service-connected disability; or

"(B) a veteran of any war for a non-service-connected disability if he is unable to defray the expenses of necessary hospital care;"

Peacetime  
veterans.  
Hospital and  
medical care.  
72 Stat. 1141,  
1142.

SEC. 2. Section 612(a) of title 38, United States Code, is amended to read as follows:

"(a) Except as provided in subsection (b), the Administrator, within the limits of Veterans' Administration facilities, may furnish such medical services as he finds to be reasonably necessary to any veteran for a service-connected disability. In the case of any veteran discharged or released from the active military, naval, or air service for a disability incurred or aggravated in line of duty, such services may be so furnished for that disability, whether or not service connected for the purposes of this chapter."

Approved August 14, 1962.

## Public Law 87-584

August 14, 1962  
[H. R. 11737]

## AN ACT

To authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes.

National Aeronautics and Space Administration Authorization Act for the fiscal year 1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration the sum of \$3,744,115,250, as follows:

- (a) For "Research, development, and operation", \$2,957,878,000.
- (b) For "Construction of facilities", \$786,237,250, as follows:
  - (1) Ames Research Center, Moffet Field, California, \$14,439,000.
  - (2) Atlantic Missile Range, Cape Canaveral, Florida, including land acquisition and relocation of inland waterway and bridge, \$328,333,000.
  - (3) Facility planning and design not otherwise provided for, \$8,000,000.
  - (4) Flight Research Center, Edwards, California, \$1,807,000.
  - (5) Goddard Space Flight Center, Greenbelt, Maryland, \$23,746,250.
  - (6) Jet Propulsion Laboratory, Pasadena, California, \$10,347,000.
  - (7) Langley Research Center, Hampton, Virginia, \$8,081,000.
  - (8) Lewis Research Center, Cleveland, Ohio, \$44,833,000.
  - (9) Manned Spacecraft Center, Houston, Texas, \$30,755,000.
  - (10) Marshall Space Flight Center, Huntsville, Alabama, \$33,431,500.
  - (11) Michoud Plant, New Orleans, Louisiana, \$18,400,000.
  - (12) Mississippi Test Facility, Mississippi, \$92,500,000.
  - (13) Nuclear Rocket Development Station, Nevada, \$40,000,000.
  - (14) Various locations, \$127,278,750.
  - (15) Wallops Station, Wallops Island, Virginia, \$4,285,750.

(c) Appropriations for "Research, development, and operation" may be used (i) for any items of a capital nature (other than acquisition of land) which may be required for the performance of research and development contracts, and (ii) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research, development, and operation" pursuant to this Act may be used for construction of any major facility, the estimated cost of which, including collateral equipment, exceeds \$250,000, unless the Administrator or his designee notifies the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(d) When so specified in an appropriation Act any amount appropriated for "Research, development, and operation" and for "Construction of facilities" may remain available without fiscal year limitation.

Research, development, and operation.

Report to congressional committees.

(e) Appropriations other than "Construction of facilities" may be used, but not to exceed \$35,000, for scientific consultations or extraordinary expense upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

Scientific consultations, expenses.

(f) Until such time as the National Aeronautics and Space Administration shall establish uniform design criteria and construction standards for facilities for which appropriations are authorized pursuant to this Act, the National Aeronautics and Space Administration shall to the fullest extent practicable utilize for such facilities design criteria and construction standards established either by the General Services Administration, the United States Navy Bureau of Yards and Docks, or the United States Army Corps of Engineers.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in subparagraph (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), or (15) of subsection 1(b) may, in the discretion of the Administrator of the National Aeronautics and Space Administration, be varied upward 5 per centum to meet unusual cost variations, but the total cost of all work authorized under such subparagraphs shall not exceed a total of \$786,237,250.

SEC. 3. Not to exceed 3 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with \$30,000,000 of the funds appropriated pursuant to subsection 1(b) hereof, shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations until the Administrator or his designee has transmitted to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof, including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the National interest. No such funds may be used for any construction, expansion, or modification if authorization for such construction, expansion, or modification previously has been denied by the Congress.

Construction of facilities.

Report to congressional committees.

SEC. 4. The Administrator is hereby authorized to transfer, with the approval of the Bureau of the Budget, funds appropriated pursuant to this Act, to any other agency of the Government whenever the Administrator determines such transfer necessary for the efficient accomplishment of the objectives for which the funds have been appropriated. Not more than \$20,000,000 of the funds authorized by this Act may be transferred by the Administrator under this section, and no transfer in excess of \$250,000 shall be made under this section unless the Administrator has transmitted to the Committee on Aeronautical and Space Sciences of the Senate and to the Committee on Science and Astronautics of the House of Representatives a written statement

Transfer of funds.

Report to congressional committees.

concerning the amount and purpose of, and the reason for, such transfer, and (1) each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to that transfer, or (2) thirty days have passed after the transmittal by the Administrator of such statement to those committees.

SEC. 5. (a) Section 1 of the Act of July 21, 1961 (75 Stat. 216), is amended as follows:

(i) Strike out "\$1,784,300,000" in the first sentence, and insert in lieu thereof "\$1,855,300,000";

(ii) Strike out "\$252,075,000" in subsection (c), and insert in lieu thereof "\$323,075,000";

(iii) Strike out "\$49,583,000" in paragraph (c) (8), and insert in lieu thereof ", including land acquisition, \$104,583,000"; add a new paragraph after paragraph (c) (11) as follows:

"(12) Land acquisition, Mississippi Test Facility, Mississippi, \$16,000,000."

(iv) At the end of subsection (c) insert the following new paragraph:

"All real estate heretofore or hereafter acquired by the United States for the use of the National Aeronautics and Space Administration shall remain under the control and jurisdiction of that Administration, unless it is disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended."

(b) Section 2 of the Act of July 21, 1961 (75 Stat. 216, 217), is amended (1) by striking out "or (11)" and inserting in lieu thereof "(11), or (12)", and (2) by striking out "\$252,075,000" and inserting in lieu thereof "\$323,075,000".

(c) In computing the amounts which may, under the authority of section 3 of the Act of July 21, 1961 (75 Stat. 216, 217), be transferred and/or used for purposes set forth in said section, there may be disregarded any amounts so transferred and/or used for land acquisitions at the Atlantic Missile Range, Cape Canaveral, Florida, and the Mississippi Test Facility, Mississippi, which have been reported to the Congress, in accordance with the provisions of said section, prior to the enactment of this Act.

SEC. 6. Section 203(b) of the National Aeronautics and Space Act of 1958, as amended (72 Stat. 429, 431), is amended by (i) striking out the word "and" where it appears after the semicolon at the end of section 203(b) (12); (ii) striking out the period at the end of section 203(b) (13) and inserting in lieu thereof a semicolon and the word "and"; and (iii) adding at the end thereof the following new paragraph:

"(14) to reimburse, to the extent determined by the Administrator or his designee to be fair and reasonable, the owners and tenants of land and interests in land acquired on or after November 1, 1961, by the United States for use by the Administration by purchase, condemnation, or otherwise for expenses and losses and damages incurred by such owners and tenants as a direct result of moving themselves, their families, and their possessions because of said acquisition. Such reimbursement shall be in addition to, but not in duplication of, any payments that may otherwise be authorized by law to be made to such owners and tenants. The total of any such reimbursement to any owner or tenant shall in no event exceed 25 per centum of the fair value, as determined by the Administrator, of the parcel of land or interest in land to which the reimbursement is related. No payment under this paragraph shall be made unless application therefor, supported by an itemized statement of the expenses, losses, and damages incurred, is submitted to the Administrator within

40 USC  
471 note.

42 USC 2473.



one year from (a) the date upon which the parcel of land or interest in land is to be vacated under agreement with the Government by the owner or tenant or pursuant to law, including but not limited to, an order of a court, or (b) the date upon which the parcel of land or interest in the land involved is vacated, whichever first occurs. The Administrator may perform any and all acts and make such rules and regulations as he deems necessary and proper for the purpose of carrying out this paragraph. All functions performed under this paragraph shall be exempt from the operation of the Act of June 11, 1946, as amended (5 U.S.C. 1001-1011), except as to the requirements of section 3 of said Act. Funds available to the Administration for the acquisition of real property or interests therein shall also be available for carrying out this paragraph".

60 Stat. 237, 238.

SEC. 7. Section 201(f) of the National Aeronautics and Space Act of 1958 is amended by adding at the end thereof the following new sentence: "Other provisions of law or regulations relating to Government employment (except those relating to pay and retirement) shall apply to council employees reporting directly to the chairman to the extent that such provisions are applicable to employees in the office of the Vice President."

72 Stat. 427.  
42 USC 2471.

SEC. 8. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act for the fiscal year 1963".  
Approved August 14, 1962.

Short title.

## Public Law 87-585

### AN ACT

August 14, 1962  
[S. 3525]

To authorize the Administrator of General Services, in connection with the construction and maintenance of a Federal office building, to use the public space under and over Tenth Street Southwest in the District of Columbia, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Administrator of General Services, in connection with the construction and maintenance of a Federal office building on the south side of Independence Avenue Southwest in the District of Columbia, is authorized to use the public space over and under that portion of Tenth Street Southwest which is adjacent to such property as has been or may be acquired by the Administrator of General Services as a site for said building. Such authority shall be exercised only to the extent that such use is not inconsistent with the use of said street by the general public for the purpose of travel.

General Services Administration.  
Use of public space.

Approved August 14, 1962.

## Public Law 87-586

## JOINT RESOLUTION

August 14, 1962  
[S. J. Res. 91]

To establish the Saint Augustine Quadricentennial Commission, and for other purposes.

Saint Augustine  
Quadricentennial  
Commission.  
Establishment.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) there is hereby established a commission to be known as the "Saint Augustine Quadricentennial Commission" (hereinafter referred to as the "Commission"), which shall be composed of eleven members to be appointed as follows:

Membership.

(1) Two members who shall be Members of the Senate, to be appointed by the President of the Senate;

(2) Two members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(3) One member from the Department of the Interior who shall be the Director of the National Park Service, or his representative, and who shall serve as executive officer of the Commission; and

(4) Six members to be appointed by the President of the United States.

(b) The President of the United States shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall serve without compensation, but shall be reimbursed for travel, subsistence, and other expenses actually and necessarily incurred by them in the performance of duties vested in the Commission.

(c) A vacancy occurring in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

Conflict of  
interest.

(d) Service of an individual as a member of the Commission shall not be considered as service or employment bringing such individual within the provisions of sections 216, 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

62 Stat. 694,  
697, 698, 703, 793.  
Functions.

SEC. 2. The functions of the Commission shall be to develop and to execute suitable plans for the celebration, in 1965, of the four hundredth anniversary of the founding of Saint Augustine, Florida, the oldest permanent and continuous settlement in the United States. In carrying out these functions, the Commission is authorized to cooperate with and to assist the Quadricentennial Anniversary Commission of Florida.

63 Stat. 954.  
5 USC 1071 note.

SEC. 3. The Commission may employ, without regard to the civil service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions under this resolution: *Provided, however,* That no employee whose position would be subject to the Classification Act of 1949, as amended, if said Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under said Act for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by the Classification Act of 1949, as amended, as of the same date such rates are authorized for positions subject to said Act. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee.

Donations.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance

Assistance.

in carrying out the purposes of this resolution. The Commission, to such extent as it finds to be necessary, may procure supplies, services, and property and make contracts, and may exercise those powers which it determines are necessary to enable it to carry out efficiently and in the public interest the purposes of this resolution.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within one year following the celebration as prescribed by this resolution. The Commission shall terminate upon submission of its report to the Congress.

Report to  
Congress.

Termination.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

Surplus property  
and revenues, dis-  
position.

Approved August 14, 1962.

## Public Law 87-587

### AN ACT

August 15, 1962  
[S. 2978]

To authorize the Foreign Claims Settlement Commission of the United States to investigate the claims of citizens of the United States who suffered property damage in 1951 and 1952 as the result of the artificial raising of the water level of Lake Ontario.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, the Foreign Claims Settlement Commission of the United States (hereinafter referred to as the "Commission") is authorized and directed to accept claims of citizens of the United States for damages caused during 1951 and 1952 by the construction and maintenance of Gut Dam in the Saint Lawrence River by the Canadian Government, and the Commission is further authorized and directed with respect to each such claim to determine the validity thereof and the amount of damages caused by Gut Dam.

Foreign Claims  
Settlement Com-  
mission.  
Damage claims,  
investigation,  
Lake Ontario,  
Canada.

SEC. 2. Within sixty days after the enactment of this Act the Commission shall give public notice by publication in the Federal Register of the time when, and the limit of time within which, claims may be filed, which limit shall not be more than twelve months after such publication.

Publication  
in F. R.

SEC. 3. The Commission shall, as soon as practicable after all claims are determined by it, submit to the President a report and a list of claims determined to be valid, and the amount of each such claim and a list of claims determined to be invalid, for such action by the President as he may deem appropriate.

Report to  
President.

SEC. 4. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) The Commission is authorized and directed to utilize its existing personnel and facilities to the maximum extent practicable to carry out the provisions of this Act.

(c) Nothing herein shall be construed as authorizing the Commission to pay or certify for payment any claim filed hereunder.

Restriction.

SEC. 5. If the Government of Canada enters into an agreement with the Government of the United States providing for arbitration or adjudication of the claims filed under this Act, the Commission shall discontinue its investigation and determination of the claims and transfer or otherwise make available to the Secretary of State all records and documents relating to the claims or, on the request of the Secretary of State, return to claimants documents filed in support of their claims.

Approved August 15, 1962.

## Public Law 87-588

August 15, 1962  
[S. 1771]

### AN ACT

To improve the usefulness of national bank branches in foreign countries.

Federal Reserve  
System.  
National bank  
branches in for-  
eign countries.  
39 Stat. 755.  
12 USC 601-632.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 25 of the Federal Reserve Act, as amended, is amended by adding the following new paragraph at the end thereof:

"Regulations issued by the Board of Governors of the Federal Reserve System under this section, in addition to regulating powers which a foreign branch may exercise under other provisions of law, may authorize such a foreign branch, subject to such conditions and requirements as such regulations may prescribe, to exercise such further powers as may be usual in connection with the transaction of the business of banking in the places where such foreign branch shall transact business. Such regulations shall not authorize a foreign branch to engage in the general business of producing, distributing, buying or selling goods, wares, or merchandise; nor, except to such limited extent as the Board may deem to be necessary with respect to securities issued by any 'foreign state' as defined in section 25(b) of this Act, shall such regulations authorize a foreign branch to engage or participate, directly or indirectly, in the business of underwriting, selling, or distributing securities."

48 Stat. 184.  
12 USC 632.

Approved August 15, 1962.

## Public Law 87-589

August 16, 1962  
[S. 405]

### AN ACT

To authorize the Secretary of the Interior to construct, operate, and maintain the Mann Creek Federal reclamation project, Idaho, and for other purposes.

Mann Creek Fed-  
eral reclamation  
project, Idaho.

43 USC 371 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purposes of providing irrigation water for approximately fifty-one hundred acres, conserving and developing fish and wildlife, and providing recreational benefits, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the facilities of the Mann Creek Federal reclamation project, Idaho. The principal works of the project shall consist of a dam and reservoir, diversion facilities from the reservoir, and drainage facilities.

Construction  
costs, repayment  
period.  
72 Stat. 542,  
543.  
43 USC 485h.

SEC. 2. The base period provided in subsection (d), section 9, of the Reclamation Project Act of 1939, as amended, for repayment of the construction costs properly chargeable to any block of lands and assigned to be repaid by irrigators shall be forty years, exclusive of

any development period, from the time water is first delivered to that block. Costs allocated to irrigation in excess of the amount determined by the Secretary to be within the ability of the irrigators to repay within the repayment period or periods herein specified, shall be returned to the reclamation fund within such period or periods from revenues derived by the Secretary of the Interior from the disposition of power marketed through the Federal power system in southern Idaho.

SEC. 3. (a) The Secretary of the Interior is authorized, in connection with the Mann Creek project, to construct minimum basic public recreation facilities, and to acquire such lands as may be necessary for that purpose, substantially in accordance with the plan in the report of the Secretary of the Interior, but such facilities (other than those necessary to protect the project works and the visiting public) shall not be constructed until an agreement has been executed by the State of Idaho, an agency or political subdivision thereof, or an appropriate local agency or organization to assume the management and operation of the facilities. The cost of constructing such facilities shall be nonreimbursable and nonreturnable under the reclamation laws.

Recreation facilities, construction.

(b) The Secretary may make such reasonable provision in the works authorized by this Act as he finds to be required for the conservation and development of fish and wildlife in accordance with the provisions of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661, and the following), and the portion of the construction costs allocated to these purposes, together with an appropriate share of the operation, maintenance, and replacement costs therefor, shall be nonreimbursable and nonreturnable. Before the works are transferred to an irrigation water users' organization for care, operation, and maintenance, the organization shall have agreed to operate them in such fashion, satisfactory to the Secretary, as to achieve the benefits to fish and wildlife on which the allocation of costs therefor is predicated, and to return the works to the United States for care, operation, and maintenance in the event of failure to comply with his requirements to achieve such benefits.

Fish and wildlife, conservation.

60 Stat. 1080;  
72 Stat. 563.

SEC. 4. There is hereby authorized to be appropriated for construction of the works herein authorized the sum of \$3,490,000 (April 1961 prices). There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

Appropriation.

Approved August 16, 1962.

## Public Law 87-590

### AN ACT

To authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado.

August 16, 1962  
[H. R. 2206]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purposes of supplying water for irrigation, municipal, domestic, and industrial uses, generating and transmitting hydroelectric power and energy, and controlling floods, and for other useful and beneficial purposes incidental thereto, including recreation and the conservation and development of fish and wildlife, the Secretary of the Interior is authorized to construct, operate, and maintain the Fryingpan-Arkansas project, Colorado, in substantial accordance with the engineering plans therefor set forth in House Document Numbered 187, Eighty-third Congress, modified as proposed in the September 1959 report of

Interior Department.  
Fryingpan-Arkansas project, Colo.  
Construction authorization.

the Bureau of Reclamation entitled "Ruedi Dam and Reservoir, Colorado", with such minor modifications of, omissions from, or additions to the works described in those reports as he may find necessary or proper for accomplishing the objectives of the project. Such modifications or additions as may be required in connection therewith shall not, however, extend to or contemplate the so-called Gunnison-Arkansas project; and nothing in this Act shall constitute a commitment, real or implied, to exportations of water from the Colorado River system in Colorado beyond those required for projects heretofore or herein authorized. In constructing, operating, and maintaining the Fryingpan-Arkansas project, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902; 32 Stat. 388, and Acts amendatory thereof or supplementary thereto).

43 USC 371  
note.

Report to Presi-  
dent and Congress.

(b) A reservoir at the Ruedi site on the Fryingpan River with an active capacity of approximately one hundred thousand acre-feet shall be constructed in lieu of the reservoir on the Roaring Fork River at the Aspen site contemplated in House Document Numbered 187, Eighty-third Congress. The Secretary shall investigate and prepare a report on the feasibility of a replacement reservoir at or near the Ashcroft site on Castle Creek, a tributary of the Roaring Fork River above its confluence with the Fryingpan River with a capacity of approximately five thousand acre-feet, but construction thereof shall not be commenced unless said report, which shall be submitted to the President and the Congress, demonstrates the feasibility of said reservoir and is approved by the Congress. The Secretary shall expedite completion of his planning report on the Basalt project, Colorado, as a participating project under the Act of April 11, 1956 (70 Stat. 105), and said report shall have the priority status of the reports to which reference is made in section 2 of said Act.

43 USC 620-  
620o.

Water delivery  
facilities.

(c) No part of the single purpose municipal and industrial water supply works involved in the Fryingpan-Arkansas project shall be constructed by the Secretary in the absence of evidence satisfactory to him that it would be infeasible for the communities involved to construct the works themselves, singly or jointly. In the event it is determined that these works, or any of them, are to be constructed by the Secretary, a contract providing, among other things, for payment of the actual cost thereof, with interest as hereinafter provided, as rapidly as is consistent with the contracting parties' ability to pay, but in any event, within fifty years from the time the works are first available for the delivery of water, and for assumption by the contracting parties of the care, operation, maintenance, and replacement of the works shall be a condition precedent to construction thereof.

Repayment con-  
tracts.

SEC. 2. (a) Contracts to repay the portion of the cost of the Fryingpan-Arkansas project allocated to irrigation and assigned to be repaid by irrigation water users (exclusive of such portion of said cost as may be derived from temporary water supply contracts or from other sources) which are entered into pursuant to subsection (d), section 9, of the Reclamation Project Act of 1939 (53 Stat. 1187), as amended, shall provide for a basic repayment period of not more than fifty years after completion of construction and shall not provide for any development period. Such contracts shall be entered into only with organizations which have the capacity to levy assessments upon all taxable real property located within their boundaries.

72 Stat. 542,  
543.  
43 USC 485h.

(b) Rates charged for commercial power and for water for municipal, domestic or industrial use or for the use of facilities for the storage and/or delivery of such water shall be designed to return to the United States, within not more than fifty years from the completion of each unit of the project which serves those purposes, those costs of constructing, operating and maintaining that unit which are allocated

to said purposes and interest on the unamortized balance of said construction allocation and, in addition, within the period fixed by subsection (a) of this section, so much of the irrigation allocation as is beyond the ability of the water users and their organizations to repay.

(c) The interest rate on the unamortized balance of the commercial power and municipal, domestic, and industrial water supply allocations shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from the date of issue.

SEC. 3. (a) The Fryingpan-Arkansas project shall be operated under the direction of the Secretary in accordance with the operating principles adopted by the State of Colorado on December 9, 1960, and reproduced in House Document Numbered 130, Eighty-seventh Congress.

(b) The Secretary may appoint the two representatives of the United States to the Commission referred to in paragraph 19 of said principles and may, upon unanimous recommendation of the parties signatory to the operating principles, adopt such modifications therein as are not inconsistent with the provisions of this Act.

(c) Any and all benefits and rights of western Colorado water users in and to water stored in the Green Mountain Reservoir, Colorado-Big Thompson project, as described, set forth and defined in Senate Document Numbered 80, Seventy-fifth Congress, shall not be impaired, prejudiced, abrogated, nullified, or diminished in any manner whatever by reason of the authorization, construction, operation, and maintenance of the Fryingpan-Arkansas project.

(d) Except for such rights as are appurtenant to lands which are acquired for project purposes, no valid right to the storage or use of water within the natural basin of the Colorado River in the State of Colorado shall be acquired by the Secretary of the Interior through eminent domain proceedings for the purpose of storing or using outside of said basin the water embraced within that right, and no water, the right to the storage or use of which is so acquired by anyone other than the Secretary, shall be transported through or by means of any works of the Fryingpan-Arkansas project from the Colorado River Basin to the Arkansas River Basin.

SEC. 4. (a) The Secretary is authorized and directed (1) to investigate, plan, construct, operate, and maintain public recreational facilities on lands withdrawn or acquired for the development of said project, (2) to conserve the scenery, the natural, historic, and archeologic objects, and the wildlife on said lands, (3) to provide for public use and enjoyment of the same and of the water areas created by this project by such means as are consistent with the purposes of said project, and (4) to investigate, plan, construct, operate, and maintain facilities for the conservation and development of fish and wildlife resources. The Secretary is authorized to acquire lands and to withdraw public lands from entry or other disposition under the public land laws necessary for the construction, operation, and maintenance of the facilities herein provided, and to dispose of them to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest: *Provided*, That all lands within the exterior boundaries of a national forest acquired for recreational or other project purposes which are not determined by the Secretary of the Interior to be needed for actual use in connection with the reclamation works shall become national forest lands: *Provided further*, That the Secretary of the Interior shall

Recreational  
facilities.

National forest  
lands.

make his determination hereunder within five years after approval of this Act or, in the case of individual tracts of land, within five years after their acquisition by the United States: *And provided further*, That the authority contained in this section shall not be exercised by the Secretary of the Interior with respect to national forest lands without the concurrence of the Secretary of Agriculture.

(b) The costs, including the operation and maintenance costs, of the undertakings described in subsection (a) of this section shall be nonreimbursable and nonreturnable under the reclamation laws. The funds appropriated for carrying out the authorization contained in section 1 of this Act shall, without prejudice to the availability of other appropriated moneys for the same purpose, also be available for carrying out the investigations and programs authorized in this section.

SEC. 5. (a) The use of water diverted from the Colorado River system to the Arkansas River Basin through works constructed under authority of this Act shall be subject to and controlled by the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, and the Mexican Water Treaty (Treaty Series 994), and shall be included within and shall in no way increase the total quantity of water to the use of which the State of Colorado is entitled and limited under said compacts, statutes, and treaty, and every contract entered into under this Act for the storage, use, and delivery of such water shall so recite.

(b) All works constructed under authority of this Act, and all officers, employees, permittees, licensees, and contractees of the United States and of the State of Colorado acting pursuant thereto, and all users and appropriators of water of the Colorado River system diverted or delivered through the works constructed under authority of this Act and any enlargements or additions thereto shall observe and be subject to said compacts, statutes, and treaty, as hereinbefore provided, in the diversion, delivery, and use of water of the Colorado River system, and such condition and covenant shall attach as a matter of law whether or not set out or referred to in the instrument evidencing such permit, license, or contract and shall be deemed to be for the benefit of and be available to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the users of water therein or thereunder by way of suit, defense, or otherwise in any litigation respecting the waters of the Colorado River system.

(c) None of the waters of the Colorado River system shall be exported from the natural basin of that system by means of works constructed under authority of this Act, or extensions and enlargements of such works, to the Arkansas River Basin for consumptive use outside of the State of Colorado, and no such waters shall be made available for consumptive use in any State not a party to the Colorado River compact by exchange or substitution; nor shall the obligations of the State of Colorado under the provisions of the Arkansas River compact (63 Stat. 145) be altered by any operations of the Fryingpan-Arkansas project.

(d) No right or claim of right to the use of the waters of the Colorado River system shall be aided or prejudiced by this Act, and the Congress does not, by its enactment, construe or interpret any provision of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, or the Mexican Water Treaty or subject the United States to, or approve or disapprove any interpretation of, said compacts, statutes, or treaty, anything in this Act to the contrary notwithstanding.

45 Stat. 1057.  
43 USC 617t.  
54 Stat. 774.  
43 USC 618c.  
70 Stat. 105.  
43 USC 620-620o.  
59 Stat. 1219.

45 Stat. 1057.  
43 USC 617t.  
54 Stat. 774.  
43 USC 618c.  
70 Stat. 105.  
43 USC 620-  
620o.  
59 Stat. 1219.



(e) In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary of the Interior is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act (and any contract lawfully entered into by the United States under any of said Acts), the treaty with the United Mexican States, and the operating principles, and to comply with the laws of the State of Colorado relating to the control, appropriation, use, and distribution of water therein. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

SEC. 6. The Secretary of the Interior is directed to continue his studies of the quality of water of the Colorado River system, to appraise its suitability for municipal, domestic, and industrial use and for irrigation in the various areas in the United States in which it is used or proposed to be used, to estimate the effect of additional developments involving its storage and use (whether heretofore authorized or contemplated for authorization) on the remaining water available for use in the United States, to study all possible means of improving the quality of such water and of alleviating the ill effects thereof, and to report the results of his studies and estimates to the Congress on January 3, 1963, and every two years thereafter, the expense of said studies to be no part of the financial obligation of the Fryingpan-Arkansas project.

Report to  
Congress.

SEC. 7. There is hereby authorized to be appropriated for construction of the Fryingpan-Arkansas project, the sum of \$170,000,000 (June 1961 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for operation and maintenance of the project and for future costs incurred under section 4 of this Act.

Appropriation.

Approved August 16, 1962, 9:45 a. m.

## Public Law 87-591

### AN ACT

To amend chapter 31 of title 38, United States Code, to afford additional time during which certain veterans blinded by reason of a service-connected disability may be afforded vocational rehabilitation training.

August 16, 1962  
[S. 2869]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 31 of title 38, United States Code, is amended by adding after section 1502 the following new section:

#### “§ 1502A. Blinded veterans

“A veteran who is found to be in need of vocational rehabilitation to overcome the handicap of blindness resulting from a service-connected disability which affords basic eligibility for vocational rehabilitation under section 1502(a) of this title may be afforded such vocational rehabilitation after the termination date otherwise applicable to him, but not beyond June 30, 1975, if—

Blinded veterans.  
Vocational re-  
habilitation.  
72 Stat. 1171.  
38 USC 1501-  
1510.

"(1) he had not previously been rehabilitated (that is, rendered employable) as the result of training furnished under this chapter, or

"(2) his blindness either has worsened, or has developed as a result of the worsening of his service-connected disability, since he was declared rehabilitated to the extent that it precludes his performing the duties of the occupation for which he was previously trained under this chapter."

SEC. 2. The table of sections at the head of chapter 31 of title 38, United States Code, is amended by adding immediately below item 1502 thereof the following:

"1502A. Blinded veterans."

Approved August 16, 1962.

## Public Law 87-592

August 20, 1962  
[S. 2135]

### AN ACT

To authorize the Securities and Exchange Commission to delegate certain functions.

Securities and  
Exchange Com-  
mission.  
Delegation of  
functions.

5 USC 1006.

60 Stat. 237.  
5 USC 1001 note.

48 Stat. 898.  
15 USC 78s.  
Right of review.

54 Stat. 857;  
48 Stat. 79.  
15 USC 77h.  
48 Stat. 892.  
15 USC 78l.  
15 USC 78o.

15 USC 78s.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) in addition to its existing authority, the Securities and Exchange Commission, hereinafter referred to as the "Commission", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter: *Provided, however,* That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act of 1946 (60 Stat. 241), as amended: *And provided further,* That nothing herein contained shall be deemed to authorize the delegation of the function of rulemaking as defined in the Administrative Procedure Act of 1946, as amended, with reference to general rules as distinguished from rules of particular applicability, or of the making of any rule, regulation, or order pursuant to section 19(b) of the Securities Exchange Act of 1934.

(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, hearing examiner, employee, or employee board, upon its own initiative or upon petition of a party to or an intervenor in such action, within such time and in such manner as the Commission shall by rule prescribe: *Provided, however,* That the vote of one member of the Commission shall be sufficient to bring any such action before the Commission for review: *And provided further,* That in the event action at a delegated level (1) denies any request for action pursuant to section 8(a) or section 8(c) of the Securities Act of 1933 or the first sentence of section 12(d) of the Securities Exchange Act of 1934; (2) suspends, denies, or revokes a broker-dealer registration pursuant to section 15(b) of the Securities Exchange Act of 1934; (3) suspends, denies, or withdraws any registration or suspends or expels a member of a national securities exchange pursuant to section 19(a) of the Securities Exchange Act of 1934; or (4) suspends trading on an exchange pursuant to section 19(a) of the Securities Exchange Act of 1934, a person or party adversely affected by such action shall be entitled to review by the Commission.

(c) Should the right to exercise such review be declined, or should no such review be sought within the time stated in the rules promulgated by the Commission, then the action of any such division of the Commission, individual Commissioner, hearing examiner, employee, or employee board, shall, for all purposes, including appeal or review thereof, be deemed the action of the Commission.

SEC. 2. In addition to the functions transferred by the provisions of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1265), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel, including Commissioners, pursuant to section 1.

Approved August 20, 1962.

5 USC 1332-15.

## Public Law 87-593

### AN ACT

To amend the Act of August 7, 1946, relating to the District of Columbia hospital center, to extend the time during which appropriations may be made for the purposes of that Act.

August 20, 1962  
[H. R. 12547]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 6 of the Act entitled "An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes", approved August 7, 1946 (60 Stat. 896), as amended, is amended by striking out "on the last day of the second session of the Eighty-seventh Congress" and inserting in lieu thereof "June 30, 1963".

D.C.  
Hospital facilities.  
Ante, p. 124.

Approved August 20, 1962.

## Public Law 87-594

### AN ACT

To authorize the Secretary of the Interior to construct, operate, and maintain the Arbuckle reclamation project, Oklahoma, and for other purposes.

August 24, 1962  
[H. R. 23]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized to construct, operate, and maintain the Arbuckle Federal reclamation project, Oklahoma, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), for the principal purposes of storing, regulating, and furnishing water for municipal, domestic, and industrial use, and for controlling floods and for the conservation and development of fish and wildlife, and the enhancement of recreational opportunities. The project shall consist of the following principal works: A reservoir on Rock Creek near Sulphur, Oklahoma, pumping plants, pipelines, and other conduits for furnishing water for municipal, domestic, and industrial use, and minimum basic recreational facilities.

Interior Department.  
Arbuckle reclamation project, Okla.  
Construction authorization.  
43 USC 371 note.

SEC. 2. In constructing, operating, and maintaining the Arbuckle project, the Secretary shall allocate the costs thereof among different

Allocation of costs.

functions resulting from multiple-purpose development under the following conditions:

(a) Allocations to flood control, recreation, and the conservation and development of fish and wildlife shall be nonreimbursable and non-returnable under the reclamation laws;

(b) Allocations to municipal water supply, including domestic, manufacturing, and industrial uses, shall be repayable to the United States by the water users through contracts with municipal corporations, or other organizations as defined by section 2, Reclamation Project Act of 1939 (53 Stat. 1187) under the provisions of the Federal reclamation laws, and to the extent appropriate, under the Water Supply Act of 1958 (72 Stat. 319), as amended. Such contracts shall be precedent to the commencement of construction of any project unit affecting the individual municipality or industrial users, and shall provide for repayment of construction costs allocated to municipal water supply in not to exceed fifty years from the date water is first delivered for that purpose: *Provided*, That the water users' organization be responsible for the disposal and sale of all water surplus to its requirements, and that the revenues therefrom shall be used by the organization for the retirement of project debt payment, payment of interest, and payment of operation and maintenance cost. The interest rate used for purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue;

(c) Upon the completion of the payment of the water users' construction cost obligation, together with the interest thereon, the water users, their designee or designees, shall (1) have a permanent right to the use of that portion of the project allocable to municipal water supply purposes, so long as the space designated for those purposes may be physically available, taking into account such equitable reallocation of reservoir storage capacities among the purposes served by the project as may be necessary due to sedimentation, subject, if the project is then operated by the United States, to payment of a reasonable annual charge to the Secretary of the Interior sufficient to pay all operation and maintenance charges and a fair share of the administrative costs applicable to the project; (2) be conveyed title to such portions of the pipelines and related facilities as are used solely for delivering project water to the water users.

SEC. 3. Contracts may be entered into with the water users' organization pursuant to the provisions of this Act without regard to the last sentence of subsection (c) of section 9 of the Reclamation Project Act of 1939.

SEC. 4. The Secretary is authorized to transfer to a water users' organization the care, operation, and maintenance of the works herein authorized and, if such transfer is made, may deduct from the obligation of the water users the reasonable capitalized equivalent of that portion of the estimated operation and maintenance cost of the undertaking which, if the United States continues to operate the project, would be allocated to flood control and fish and wildlife purposes. Prior to taking over the care, operation, and maintenance of said works, the water users' organization shall obligate itself to operate them in accordance with criteria specified by the Secretary of the Army with respect to flood control and the Secretary of the Interior with respect to fish and wildlife and recreation.

43 USC 485a.

43 USC 390b  
note.

53 Stat. 1193.  
43 USC 485h.  
Transfer of op-  
eration.

SEC. 5. Construction of the Arbuckle project herein authorized may be undertaken in such units or stages as in the opinion of the Secretary best serve the project requirements and the relative needs for water. Repayment contracts negotiated in connection with each unit or stage of construction shall be subject to the terms and conditions of section 2 of this Act.

Stages of construction.

SEC. 6. The Secretary may (1) contract for the construction of any part of the minimum basic recreational facilities with any qualified agency of the State of Oklahoma or a political subdivision thereof, and (2) upon conclusion of a suitable agreement with any such agency or political subdivision for assumption of the administration, operation, and maintenance thereof at the earliest practicable date, construct or permit the construction of public park and recreational facilities on lands owned by the United States adjacent to the reservoir of the Arbuckle project, when such use is determined by the Secretary not to be contrary to the public interest, all under such rules and regulations as the Secretary may prescribe. No recreational use of any area to which this section applies shall be permitted which is inconsistent with the laws of the State of Oklahoma for the protection of fish and game and the protection of the public health, safety, and welfare. The Federal costs of constructing the facilities authorized by this section shall be limited to the nonreimbursable costs of the Arbuckle project for minimum basic recreational facilities as determined by the Secretary.

Recreational facilities.

SEC. 7. The Secretary may make such reasonable provision in connection with the works of the Arbuckle Federal reclamation project, in accordance with section 2 of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended, 16 U.S.C. 661, and the following), as he finds to be required for the conservation and development of fish and wildlife.

Fish and wildlife.

72 Stat. 563.

SEC. 8. Expenditures for Arbuckle Reservoir, and the water supply aqueduct system, may be made without regard to the soil survey and land classification requirements of the Interior Department Appropriation Act, 1954 (43 U.S.C. 390a).

67 Stat. 266.

Appropriation.

SEC. 9. There is authorized to be appropriated for construction of the Arbuckle reclamation project the sum of \$13,340,000 (March 1962 prices), plus or minus such amounts as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the type of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for the operation and maintenance of the project.

Approved August 24, 1962, 9:30 a. m.

## Public Law 87-595

### AN ACT

To amend sections 216(c) and 305(b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates.

August 24, 1962  
[H. R. 11643]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (c) of section 216 of the Interstate Commerce Act, as amended (49 U.S.C. 316(c)), is amended by adding at the end thereof the following new sentence: "As used in this subsection, the term 'common carriers by water' includes water common carriers subject to the Shipping Act, 1916, as amended, or the Intercoastal Shipping Act of 1933, as amended (including persons who hold themselves out to transport goods by water but who do not own or operate vessels) engaged in the

Interstate Commerce Act, amendment.

49 Stat. 558.

40 Stat. 903.

46 USC 842.

47 Stat. 1427.

46 USC 848.

transportation of property in interstate or foreign commerce between Alaska or Hawaii on the one hand, and, on the other, the other States of the Union, and through routes and joint rates so established and all classifications, regulations, and practices in connection therewith shall be subject to the provisions of this part."

Through routes,  
joint rates.  
54 Stat. 934.

SEC. 2. Subsection (b) of section 305 of the Interstate Commerce Act, as amended (49 U.S.C. 905(b)), is amended by inserting between the second and third sentences thereof the following new sentence: "Common carriers by water subject to this part may also establish reasonable through routes and joint rates, charges, and classifications with common carriers by water subject to the Shipping Act, 1916, as amended, or the Intercoastal Shipping Act, 1933, as amended (including persons who hold themselves out to transport goods but who do not own or operate vessels) engaged in the transportation of property in interstate or foreign commerce between Alaska or Hawaii on the one hand, and, on the other, the other States of the Union, and such through routes and joint rates, and all classifications, regulations, and practices established in connection therewith shall be subject to the provisions of this part."

Approved August 24, 1962.

## Public Law 87-596

### AN ACT

August 24, 1962  
[S. 3428]

Relating to the appointment of judges to the municipal court for the District of Columbia, the municipal court of appeals for the District of Columbia, and the juvenile court of the District of Columbia.

D. C. judges.  
Appointment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the second sentence of the first section of the Act entitled "An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'The Municipal Court for the District of Columbia', to create 'The Municipal Court of Appeals for the District of Columbia', and for other purposes", approved April 1, 1942 (56 Stat. 190; D.C. Code, sec. 11-752), as amended, is amended to read as follows: "The court shall consist of a chief judge and fifteen associate judges appointed by the President with the advice and consent of the Senate."

56 Stat. 194.

(b) The third sentence of section 6 of such Act, as amended (D.C. Code, sec. 11-771), is amended to read as follows: "The said court shall consist of a chief judge and two associate judges appointed by the President with the advice and consent of the Senate, two of whom shall constitute a quorum."

Ante, p. 21.

SEC. 2. (a) Subsection (a) of section 19 of the Juvenile Court Act of the District of Columbia, approved June 1, 1938 (52 Stat. 601; D.C. Code, sec. 11-920), as amended, is amended by striking out "three judges" and inserting in lieu thereof the following: "a chief judge and two associate judges".

Ante, p. 22.

(b) Subsection (c) of section 19 of such Act is amended by striking out the first sentence thereof.

SEC. 3. Nothing contained in any amendment made by this Act shall be construed as affecting any appointment or designation as a judge or chief judge of the municipal court for the District of Columbia, the municipal court of appeals for the District of Columbia, or the juvenile court of the District of Columbia made prior to the date of enactment of this Act.

Approved August 24, 1962.

## Public Law 87-597

## AN ACT

August 24, 1962  
[H.R. 3507]

To provide for the withdrawal and reservation for the Departments of the Air Force and the Navy of certain public lands of the United States at Luke-Williams Air Force Range, Yuma, Arizona, for defense purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subject to valid existing rights the public lands, and the minerals therein, within the areas described in section 2 of this Act are hereby withdrawn from all appropriations and other forms of disposition under the public land laws including the mining and mineral leasing laws and disposals of materials under the Act of July 31, 1947, as amended (60 Stat. 681; 30 U.S.C. 601-604) except as provided in subsection (b) of this section, and reserved (subject to an agreement which has been approved by the Secretary of Defense and the Secretary of the Interior for the joint use of the lands in area "A" for military and wildlife purposes) for the use of the Department of Defense for a period of ten years with an option to renew the withdrawal and reservation for a period of five years by notice from the Secretary of Defense to the Secretary of the Interior, and subject to the condition that the reservation may be terminated at any time during either of such periods by the Secretary of Defense upon notice to the Secretary of the Interior. However, this Act does not affect Executive Order Numbered 8038 of January 5, 1939 (4 F.R. 437), establishing the Cabeza Prieta Game Range, except to the extent rendered necessary by the national defense.

Luke-Williams  
Air Force Range,  
Yuma, Ariz.  
Public lands,  
withdrawal and  
reservation.

61 Stat. 681;  
69 Stat. 367.

3 CFR, Cum.  
Supp., p. 446.

(b) Lands and resources within area "A" withdrawn and reserved by subsection (a) of this section shall be subject to such appropriation and other disposition as the Secretary of the Interior shall determine to be consistent both with the requirements of Executive Order Numbered 8038 of January 5, 1939 (4 F.R. 437), and, with the approval of the Secretary of Defense, with the requirements of the national defense. The Secretary of the Interior may, with the concurrence of the Secretary of Defense, authorize use or disposition of any of the lands or resources within area "B" withdrawn and reserved by subsection (a) of this section.

(c) Upon request of the Secretary of the Interior at the time of final termination of the reservation effected by this Act, the Department of Defense shall make safe for nonmilitary uses the land withdrawn and reserved, or such portions thereof as may be specified by the Secretary of the Interior, by neutralizing unexploded ammunition, bombs, artillery projectiles, or other explosive objects and chemical agents. Thereafter the Secretary of the Interior pursuant to law shall provide for the appropriate use or disposition of all or any part of the land withdrawn and reserved under provisions of this Act. Nothing in this subsection, however, shall be construed to prevent the Secretary of a military department at that time from making application for further withdrawal and reservation of all or part of said lands under laws and regulations then existing.

Termination.  
Special provi-  
sions.

SEC. 2. The lands withdrawn and reserved by this Act are those that are now or may hereafter become subject to the public land laws within the areas described as follows: Approximately 479,100 acres, more or less, within the Luke-Williams Air Force Range, Pima, Maricopa, and Yuma Counties, Arizona, and more fully described as follows:

- (1) Area "A", located in the southeastern portion of Luke-Williams Air Force Range, Pima County, Arizona, comprised of—
  - sections 19 to 21, inclusive, and sections 28 to 33, inclusive,
  - township 14 south, range 8 west; sections 4 to 9, inclusive, sections

16 to 21, inclusive, sections 28 to 33, inclusive, township 15 south, range 8 west; sections 4 to 9, inclusive, sections 16 to 21, inclusive, sections 28 to 33, inclusive, township 16 south, range 8 west; sections 4, 5, 6, 8, and 9, township 17 south, range 8 west;

sections 16 to 36, inclusive, township 14 south, range 9 west; all in townships 15 south, 16 south, and 17 south, range 9 west; sections 13 to 36, inclusive, township 14 south, range 10 west; all in townships 15 south and 16 south, range 10 west, Gila and Salt River base and meridian, Pima County, Arizona, a total of 132,900 acres, more or less.

(2) Area "B", located in the western and northwestern portions of Luke-Williams Air Force Range, Yuma County, Arizona, comprised of—

all in townships 8 and 9 south, range 12 west; sections 1, 2, 3, and 4, lot 1 and the south half of section 5, the southeast quarter of the southeast quarter of section 6, sections 7 to 36, inclusive, township 8 south, range 13 west;

all in township 9, south, range 13 west; the south half of the southeast quarter of section 11, the south half of the northeast quarter and the south half of section 12, sections 13 and 14, the south half of the northeast quarter and the south half of section 15, the south half of the southwest quarter and the southeast quarter of section 16, sections 19 to 36, inclusive, township 8 south, range 14 west; all in township 9 south, range 14 west;

sections 33 to 36, inclusive, township 8 south, range 15 west; all in township 9 south, range 15 west; sections 1 and 2, in sections 7 to 36, inclusive, township 9 south, range 16 west; sections 12 to 16, inclusive, the south half of section 17, sections 19 to 36, inclusive, township 9 south, range 17 west;

the southeast quarter of section 21, the south half of section 22, sections 23 to 36, inclusive, township 9 south, range 18 west; sections 25 to 36, inclusive, township 9 south, range 19 west; sections 25 to 36, inclusive, township 9 south, range 20 west; sections 4 to 10, inclusive, sections 14 to 23, inclusive, sections 26 to 36, inclusive, township 10 south, range 20 west;

sections 25 to 36, inclusive, township 9 south, range 21 west; all in townships 10 south, 11 south, 12 south, range 21 west; sections 25 to 28, inclusive, the east half, the east half of the northwest quarter and the southwest quarter of section 29, sections 32 to 36, inclusive, township 9 south, range 22 west; sections 1 to 5, inclusive, the east half of section 6, sections 7 to 36, inclusive, township 10 south, range 22 west; all in townships 11 south, and 12 south, range 22 west, Gila and Salt River base and meridian, Yuma County, Arizona, a total of 346,200 acres, more or less.

Approved August 24, 1962.

## Public Law 87-598

August 24, 1962  
[H. R. 3508]

### AN ACT

To amend the Tariff Act of 1930, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 551 of the Tariff Act of 1930, as amended (19 U.S.C. 1551), is amended by striking out "or any freight forwarder, as defined in section 402 of part IV of the Interstate Commerce Act (U.S.C., 1940 edition, Supp. III, title 49, sec. 1002(5))," and inserting in lieu thereof "or any freight forwarder authorized to operate as such by any agency of the United States."

Approved August 24, 1962.

59 Stat. 667.

56 Stat. 284.



## Public Law 87-599

## AN ACT

August 24, 1962  
[S. 2020]

To amend part IV of subtitle C of title 10, United States Code, to authorize the Secretary of the Navy to develop the South Barrow gas field, naval petroleum reserve numbered 4, for the purpose of making gas available for sale to the native village of Barrow and to other non-Federal communities and installations, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 7422 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

“(c) The Secretary of the Navy may under subsection (a) develop the South Barrow gas field, naval petroleum reserve numbered 4, to supply gas to installations of the Department of Defense and other agencies of the United States located at or near Point Barrow, Alaska, the native village of Barrow, and other communities and installations at or near Point Barrow, Alaska.”

Alaska.  
South Barrow  
gas field, de-  
velopment.  
70A Stat. 458.

SEC. 2. Section 7430(a) of title 10, United States Code, is amended to read as follows:

70A Stat. 460.

“(a) The Secretary of the Navy in administering the naval petroleum reserves under this chapter shall use, store, sell, or exchange for other petroleum or refined products, the oil and gas products, including royalty products, from lands in the naval petroleum reserves, including gas products from lands in the South Barrow gas field of naval petroleum reserve numbered 4, and lands outside petroleum reserve numbered 1 covered by joint, unit, or other cooperative plans, for the benefit of the United States.”

SEC. 3. The Federal agency or agencies in control of any pipeline between gas wells in the South Barrow gas field and the town of Barrow may authorize purchasers of the gas or carriers of the gas to install connections to such pipeline.

Approved August 24, 1962.

## Public Law 87-600

## AN ACT

August 24, 1962  
[H. R. 8100]

To amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the General Supply Fund.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 109 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, is hereby amended as follows:

(a) In subsection (a), by deletion of “to first storage point” from clause (2) in the fourth sentence.

(b) In subsection (b), by deletion of the second sentence and by revision of the third sentence to read: “Such prices shall be fixed at levels so as to recover so far as practicable the applicable purchase price, the transportation cost, inventory losses, the cost of personal services employed directly in the repair, rehabilitation, and conversion of personal property, and the cost of amortization and repair of equipment utilized for lease or rent to executive agencies.”

(c) By deletion of subsection (d).

(d) By deletion of “supplies” wherever it appears and substitution therefor of “personal property”.

Approved August 24, 1962.

Federal Property  
and Administra-  
tive Services  
Act of 1949, amend-  
ment.

64 Stat. 578.  
5 USC 630g.

## Public Law 87-601

August 24, 1962  
[S. 1918]

## AN ACT

To extend benefits of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957 to widows and surviving children of former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, or the United States Secret Service Division, who were retired or who died in the service of any such organization prior to the effective date of such amendments.

D. C.  
Former police-  
men, firemen, etc.  
Survivors' bene-  
fits.

D. C. Code  
4-531 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That each widow or child who, on or after the effective date of this Act, was receiving or is now receiving or shall hereafter be entitled to receive relief or annuity by reason of service in the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, or the United States Secret Service Division, of a deceased former officer or member who died in the service of any such organization prior to the effective date of the Policemen and Firemen's Retirement and Disability Act Amendments of 1957, approved August 21, 1957 (71 Stat. 391), or who retired prior to such effective date, shall be entitled to benefits computed in accordance with the provisions of subsection (k) of section 12 of the Act approved September 1, 1916 (39 Stat. 718), as amended (section 4-531, District of Columbia Code, 1951 ed., supp. VIII).

SEC. 2. Nothing in this Act shall be deemed to reduce the relief or retirement compensation any person receives, or is entitled to receive, on the date of the enactment of this Act.

Effective date.

SEC. 3. The effective date of this Act shall be the first day of the first month following the date of enactment.

Approved August 24, 1962.

## Public Law 87-602

August 24, 1962  
[H. R. 10852]

## AN ACT

To continue for a temporary period the existing suspension of duties on certain classifications of spun silk yarn, and to provide for the free entry of a towing carriage for the use of the Virginia Polytechnic Institute.

Silk yarn.  
Duty suspen-  
sion.

19 USC 1001,  
par. 1202 note.

Towing car-  
riage.  
Free entry.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to suspend for three years the import duties on certain classifications of spun silk yarn", approved September 8, 1959 (Public Law 86-235; 73 Stat. 470), is amended by striking out "during the three-year period beginning on the sixtieth day after the date of the enactment of this Act" and inserting in lieu thereof "during the period beginning on the 60th day after the date of the enactment of this Act and ending with the close of November 7, 1965".

SEC. 2. The Secretary of the Treasury is authorized and directed to admit free of duty one towing carriage and appurtenances (whether arriving in one shipment or in separate shipments) imported for the use of the Virginia Polytechnic Institute.

Approved August 24, 1962.

## Public Law 87-603

## AN ACT

August 24, 1962  
[H. R. 10276]

To change the name of the Petersburg National Military Park, to provide for acquisition of a portion of the Five Forks Battlefield, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Petersburg National Military Park, established under authority of the Act of July 3, 1926 (44 Stat. 822; 16 U.S.C. 423a, 423b-423h), and enlarged pursuant to the Act of September 7, 1949 (63 Stat. 691; 16 U.S.C. 423a-1, 423a-2), is redesignated the Petersburg National Battlefield.

Petersburg Na-  
tional Battle-  
field.  
Designation.

SEC. 2. The Secretary of the Interior, in furtherance of the purposes of the Acts referred to in section 1 of this Act, may acquire by purchase with donated or appropriated funds, exchange, transfer, or by such other means as he deems to be in the public interest, not to exceed twelve hundred acres of land or interests in land at the site of the Battle of Five Forks for addition to the Petersburg National Battlefield. Lands and interests in lands acquired by the Secretary pursuant to this section shall, upon publication of a description thereof in the Federal Register, become a part of the Petersburg National Battlefield, and thereafter shall be administered by the Secretary of the Interior in accordance with the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2, 3), as amended and supplemented.

Publication  
in F. R.

SEC. 3. There are hereby authorized to be appropriated such sums, but not more than \$90,000, as are necessary to acquire land pursuant to section 2 of this Act.

Appropriation.

Approved August 24, 1962.

## Public Law 87-604

## AN ACT

August 24, 1962  
[H. R. 4449]

To amend paragraph 1774 of the Tariff Act of 1930 with respect to the importation of certain articles for religious purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph 1774 of the Tariff Act of 1930, as amended (19 U.S.C. 1201, par. 1774), is amended to read as follows:

Religious ar-  
ticles.  
Free importa-  
tion.  
70 Stat. 1067.

"PAR. 1774. Altars, pulpits, communion tables, baptismal fonts, shrines, mosaics, iconostases, or parts, appurtenances, or adjuncts of any of the foregoing, whether to be physically joined thereto or not, and statuary (except granite or marble cemetery headstones, granite or marble grave markers, and granite or marble feature memorials, and excepting casts of plaster of Paris, or of compositions of paper or papier mâché), imported in good faith for the use of, either by order of, or for presentation (without charge) to, any corporation or association organized and operated for religious purposes, including cemeteries, schools, hospitals, orphanages, and similar nonprofit activities staffed and controlled by such corporation or association."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the thirtieth day after the enactment of this Act.

Christ Episcopal  
Church,  
Cincinnati,  
Ohio.

SEC. 3. (a) The Secretary of the Treasury is hereby directed to admit free of duty any silver cross made in England and donated to the Christ Episcopal Church, of Cincinnati, Ohio, which may have been imported before the date of enactment of this Act.

(b) If the liquidation of the entry, or withdrawal from warehouse, for consumption of any article subject to the provisions of subsection (a) has become final, such entry or withdrawal may be reliquidated and the appropriate refund of duty may be made.

Approved August 24, 1962.

## Public Law 87-605

August 24, 1962  
[H. J. Res. 439]

### JOINT RESOLUTION

Authorizing the State of Arizona to place in the Statuary Hall collection at the United States Capitol the statue of Eusebio Francisco Kino.

U. S. Capitol,  
Statuary Hall.  
Statue of  
Eusebio Francisco  
Kino.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the State of Arizona is hereby authorized and granted the privilege of placing in the Statuary Hall collection at the United States Capitol the statue of Eusebio Francisco Kino, pioneer missionary, explorer, and cartographer, the statue to be received as one of two statues furnished and provided by said State in accordance with the Act of July 2, 1864 (section 1814 of the Revised Statutes of the United States).

40 USC 187.

Approved August 24, 1962.

## Public Law 87-606

August 24, 1962  
[H. R. 10928]

### AN ACT

To transfer casein or lactarene to the free list of the Tariff Act of 1930.

Casein or lac-  
tarene.  
Free importa-  
tion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph 19, section 1, of the Tariff Act of 1930 (19 U.S.C. sec. 1001, par. 19), is amended by striking out "Casein or lactarene and mixtures" and substituting therefor "Mixtures".

46 Stat. 672;  
75 Stat. 224;  
Ante, p. 72.

SEC. 2. Section 201 of the Tariff Act of 1930 (19 U.S.C. 1201) is amended by adding thereto the following new paragraph:

"PAR. 1828. Casein or lactarene."

Effective date.

SEC. 3. The amendments made by this Act shall become effective with respect to articles covered thereby which are entered, or withdrawn from warehouse, for consumption on or after July 1, 1963.

Approved August 24, 1962.

## Public Law 87-607

## AN ACT

August 24, 1962  
[H. R. 11400]

To continue for two years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 2 of Public Law 1012, Eighty-fourth Congress (70 Stat. 1076), approved August 6, 1956 (relating to suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing), as amended, is amended by striking out "August 7, 1962" and inserting in lieu thereof "August 7, 1964".

Shoe lathes.  
Duty suspension,  
extension.  
74 Stat. 289.  
19 USC 1201,  
par. 1643 note.

Approved August 24, 1962.

## Public Law 87-608

## AN ACT

August 24, 1962  
[H. R. 11405]

To provide for the maintenance and repair of Government improvements under concession contracts entered into pursuant to the Act of August 25, 1916 (39 Stat. 535), as amended, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That privileges, leases, and permits granted by the Secretary of the Interior for the use of land for the accommodation of park visitors, pursuant to section 3 of the Act of August 25, 1916 (39 Stat. 535), as amended, may provide for the maintenance and repair of Government improvements by the grantee notwithstanding the provisions of section 321 of the Act of June 30, 1932 (47 Stat. 412; 40 U.S.C. 303b), or any other provision of law.

National parks.  
Concession con-  
tracts.

16 USC 3.

Approved August 24, 1962.

## Public Law 87-609

## AN ACT

August 24, 1962  
[H. R. 12355]

To amend the law relating to the final disposition of the property of the Choctaw Tribe.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of August 25, 1959 (73 Stat. 420), is amended as follows: The words "three years", which appear twice in section 1(a), once in section 1(d), once in section 11, once in section 12(a), and once in section 12(b), are changed to "six years".

Indians.  
Choctaw Tribe.  
Property dis-  
position.  
25 USC 355 note.

SEC. 2. Section 12(c) of such Act is amended by changing the period to a comma and adding "and for a period of three years after such legal entity is organized it shall have the same immunity from the defense of laches or a statute of limitations that the Choctaw Tribe had prior to such time."

Approved August 24, 1962.

## Public Law 87-610

August 28, 1962  
[H. R. 3728]

## AN ACT

To amend chapter 11 of title 38, United States Code, to authorize special consideration for certain disabled veterans suffering blindness or bilateral kidney involvement.

Disabled veterans.  
72 Stat. 1124;  
74 Stat. 195.  
38 USC 351-359.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subchapter VI of chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following new section:

**“§ 360. Special consideration for certain cases of blindness or bilateral kidney involvement**

“Where any veteran has suffered (1) blindness in one eye as a result of service-connected disability and has suffered blindness in the other eye as a result of non-service-connected disability not the result of his own willful misconduct, or (2) has suffered the loss or loss of use of one kidney as a result of service-connected disability, and has suffered severe involvement of the other kidney such as to cause total disability, as a result of non-service-connected disability not the result of his own willful misconduct, the Administrator shall assign and pay to the veteran concerned the applicable rate of compensation under this chapter as if his blindness in both eyes or such bilateral kidney involvement were the result of service-connected disability.”

SEC. 2. The analysis of chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following:

“360. Special consideration for certain cases of blindness or bilateral kidney involvement.”

Approved August 28, 1962.

## Public Law 87-611

August 28, 1962  
[H. R. 8564]

## AN ACT

To amend the Federal Employees' Group Life Insurance Act of 1954 to provide for escheat of amounts of insurance to the insurance fund under such Act in the absence of any claim for payment, and for other purposes.

Federal Employees' Group Life Insurance Act of 1954, amendment.  
68 Stat. 738.

Insurance amounts, escheat.

5 USC 2096.

69 Stat. 676.

Effective date.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4 of the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2093), is amended by adding at the end thereof the following new paragraph:

“If, within two years after the death of the employee, no claim for payment has been filed by any person entitled under the order of precedence set forth in this section, and neither the Commission nor the Administrative office established by the insurance company or companies pursuant to subsection (b) of section 7 of this Act has received any notice that any such claim will be made, payment may be made to a claimant as may in the judgment of the Commission be equitably entitled thereto, and such payment shall be a bar to recovery by any other person. If, within four years after the death of the employee, payment has not been made pursuant to this section and no claim for payment by any person entitled under this section is pending, the amount payable shall escheat to the credit of the fund created pursuant to subsection (c) of section 5 of this Act.”

SEC. 2. The amendment made by the first section of this Act shall take effect as of August 29, 1954.

Approved August 28, 1962.

## Public Law 87-612

## JOINT RESOLUTION

Authorizing and requesting the President to designate April 21, 1963, as a day for observance of the courage displayed by the uprising in the Warsaw ghetto against the Nazis.

August 28, 1962  
[S. J. Res. 179]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the twenty-first day of April 1963 is hereby marked in recognition of the astounding courage displayed by the uprising in the Warsaw ghetto against the Nazis. Through such uprising, the men, women, and children who met death on that tragic day and those who perished in concentration camps and in the gas chambers, symbolize the indestructible spirit of liberty which throughout history has ultimately triumphed against the forces of tyranny.

Warsaw ghetto day.

The President is authorized and requested to issue a proclamation inviting people of the United States to observe such day with appropriate ceremonies and activities.

Proclamation authorization.

Approved August 28, 1962.

## Public Law 87-613

## AN ACT

To amend section 9(d) (1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes.

August 28, 1962  
[S. 2179]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That after the execution of a contract pursuant to the authority of section 9(d) (1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), and prior to the commencement of the development period provided thereunder, the Secretary of the Interior is hereby authorized to amend such contract to provide for irrigation blocks, or if such are already provided, to add to or modify such irrigation blocks, as he shall deem desirable to carry out the purposes of that Act.

Reclamation Project Act of 1939, amendment.

53 Stat. 1193.  
43 USC 485h.

SEC. 2. Section 9(d) (1) is amended by deleting the period at the end of the first sentence of said section and by adding the following: “: *Provided further,* That when the Secretary, by contract or by notice given thereunder, shall have fixed a development period of less than ten years, and at any time thereafter but before commencement of the repayment period conditions arise which in the judgment of the Secretary would have justified the fixing of a longer period, he may amend such contract or notice to extend such development period to a date not to exceed ten years from its commencement, and in a case where no development period was provided, he may amend such contract within the same limits: *Provided further,* That when the Secretary shall have deferred the payment of all or any part of any installments of construction charges under any repayment contract pursuant to the authority of the Act of September 21, 1959 (73 Stat. 584), he may, at any time prior to the due date prescribed for the first installment not reduced by such deferment, and by agreement with the contracting organization, terminate the supplemental contract by which such deferment was effected, credit the construction payments made, and exercise the authority granted in this section.”

Development period, extension.

43 USC 485b-1.

SEC. 3. In any repayment contract which provides for payment of construction charges by single annual installments, the Secretary may by agreement with the contracting organization amend such contract to provide for the payment of such annual installments in two parts on such dates in the calendar year as may best enable the contracting organization to meet its payments.

Approved August 28, 1962.

## Public Law 87-614

August 29, 1962  
[H. R. 11523]

### AN ACT

To authorize the employment without compensation from the Government of readers for blind Government employees, and for other purposes.

Blind Govern-  
ment employees.  
Readers.

63 Stat. 954.  
5 USC 1071 note.

Conflict of in-  
terest.  
62 Stat. 793.  
Definitions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) the head of each department is authorized, in his discretion, to employ, without regard to the civil service laws and the Classification Act of 1949, as amended, a reading assistant or assistants for any blind employee of such department, to serve without compensation from such department.

(b) Each such reading assistant may be paid and receive compensation for his services as reading assistant by and from such blind employee or any nonprofit organization, without regard to section 1914 of title 18, United States Code.

(c) For the purposes of this Act, the term—

(1) “department” means—

(A) each executive department of the Federal Government;

(B) each agency or independent establishment in the executive branch of such Government;

(C) each corporation wholly owned or controlled by such Government;

(D) the General Accounting Office;

(E) the Library of Congress; and

(F) the municipal government of the District of Columbia;

(2) “head of each department”, with respect to the municipal government of the District of Columbia, means the Board of Commissioners of the District of Columbia;

(3) “blind employee” means an employee of a department who establishes, to the satisfaction of the appropriate authority of the department concerned and in accordance with regulations of the head of such department, that he has an impairment of sight, either permanent or temporary, which is so severe or disabling that the employment of a reading assistant or assistants for such employee is necessary or desirable to enable such employee properly to perform his work; and

(4) “nonprofit organization” means an organization determined by the Secretary of the Treasury to be an organization described in section 501(c) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code.

(d) This Act shall not be held or considered to prevent or limit in any way the assignment to a blind employee by a department of clerical or secretarial assistance, at the expense of such department and in accordance with laws and regulations currently applicable at the time, if such assistance normally is provided, or authorized to be provided, in such manner in accordance with currently applicable laws and regulations.

Approved August 29, 1962.

68A Stat. 163.



## Public Law 87-615

## AN ACT

To amend the Atomic Energy Act of 1954, as amended, and for other purposes.

August 29, 1962  
[S. 3491]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Atomic Energy Act of 1954 is amended by adding thereto the following new section:

“SEC. 191. ATOMIC SAFETY AND LICENSING BOARD.—

“a. Notwithstanding the provisions of sections 7(a) and 8(a) of the Administrative Procedure Act, the Commission is authorized to establish one or more atomic safety and licensing boards, each composed of three members, two of whom shall be technically qualified and one of whom shall be qualified in the conduct of administrative proceedings, to conduct such hearings as the Commission may direct and make such intermediate or final decisions as the Commission may authorize with respect to the granting, suspending, revoking or amending of any license or authorization under the provisions of this Act, any other provision of law, or any regulation of the Commission issued thereunder. The Commission may delegate to a board such other regulatory functions as the Commission deems appropriate. The Commission may appoint a panel of qualified persons from which board members may be selected.

“b. Board members may be appointed by the Commission from private life, or designated from the staff of the Commission or other Federal agency. Board members appointed from private life shall receive a per diem compensation for each day spent in meetings or conferences, and all members shall receive their necessary traveling or other expenses while engaged in the work of a board. The provisions of section 163 shall be applicable to board members appointed from private life.”

SEC. 2. The second sentence of subsection 189a. of the Atomic Energy Act of 1954, as amended, is deleted and the following is inserted in lieu thereof: “The Commission shall hold a hearing after thirty days’ notice and publication once in the Federal Register, on each application under section 103 or 104b. for a construction permit for a facility, and on any application under section 104c. for a construction permit for a testing facility. In cases where such a construction permit has been issued following the holding of such a hearing, the Commission may, in the absence of a request therefor by any person whose interest may be affected, issue an operating license or an amendment to a construction permit or an amendment to an operating license without a hearing, but upon thirty days’ notice and publication once in the Federal Register of its intent to do so. The Commission may dispense with such thirty days’ notice and publication with respect to any application for an amendment to a construction permit or an amendment to an operating license upon a determination by the Commission that the amendment involves no significant hazards consideration.”

SEC. 3. Subsection 182b. of the Atomic Energy Act of 1954 is amended to read as follows:

“b. The Advisory Committee on Reactor Safeguards shall review each application under section 103 or section 104b. for a construction permit or an operating license for a facility, any application under section 104c. for a construction permit or an operating license for a testing facility, any application under section 104 a. or c. specifically referred to it by the Commission, and any application for an amendment to a construction permit or an amendment to an operating license under section 103 or 104 a., b., or c. specifically referred to it

Atomic Energy  
Act of 1954,  
amendment.  
68 Stat. 919.  
42 USC 2011  
note.

60 Stat. 241.  
5 USC 1006,  
1007.

68 Stat. 951.  
42 USC 2203.

68 Stat. 955.  
42 USC 2239.

Publication in  
F. R.

68 Stat. 936,  
937.  
42 USC 2133,  
2134.

71 Stat. 579.  
42 USC 2232.

Report.

by the Commission, and shall submit a report thereon which shall be made part of the record of the application and available to the public except to the extent that security classification prevents disclosure."

68 Stat. 923.  
42 USC 2014.

"Nuclear incident."

SEC. 4. Subsection 11o. of the Atomic Energy Act of 1954 is amended to read as follows:

"o. The term 'nuclear incident' means any occurrence within the United States causing, within or outside the United States, bodily injury, sickness, disease, or death, or loss of or damage to property, or loss of use of property, arising out of or resulting from the radioactive, toxic, explosive, or other hazardous properties of source, special nuclear, or byproduct material: *Provided, however,* That as the term is used in subsection 170l., it shall include any such occurrence outside of the United States: *And provided further,* That as the term is used in section 170d., it shall include any such occurrence outside the United States if such occurrence involves a facility or device owned by, and used by or under contract with, the United States."

42 USC 2210.

71 Stat. 576.  
42 USC 2014.

"Person indemnified."

SEC. 5. Subsection 11r. of the Atomic Energy Act of 1954 is amended to read as follows:

"r. The term 'person indemnified' means (1) with respect to a nuclear incident occurring within the United States and with respect to any nuclear incident in connection with the design, development, construction, operation, repair, maintenance, or use of the nuclear ship Savannah, the person with whom an indemnity agreement is executed and any other person who may be liable for public liability; or (2) with respect to any other nuclear incident occurring outside the United States, the person with whom an indemnity agreement is executed and any other person who may be liable for public liability by reason of his activities under any contract with the Commission or any project to which indemnification under the provisions of section 170d. has been extended or under any subcontract, purchase order or other agreement, of any tier, under any such contract or project."

71 Stat. 577.  
42 USC 2210.

SEC. 6. Subsection 170d. of the Atomic Energy Act of 1954 is amended by adding before the period at the end of the second sentence thereof the following proviso: "*Provided,* That in the case of nuclear incidents occurring outside the United States, the amount of the indemnity provided by the Commission shall not exceed \$100,000,000."

42 USC 2210.

SEC. 7. Subsection 170e. of the Atomic Energy Act of 1954 is amended to read as follows:

Aggregate liability.

"e. The aggregate liability for a single nuclear incident of persons indemnified, including the reasonable costs of investigating and settling claims and defending suits for damage, shall not exceed the sum of \$500,000,000 together with the amount of financial protection required of the licensee or contractor: *Provided, however,* That with respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of subsection 170d. is applicable, such aggregate liability shall not exceed the amount of \$100,000,000 together with the amount of financial protection required of the contractor. The Commission or any person indemnified may apply to the appropriate district court of the United States having venue in bankruptcy matters over the location of the nuclear incident, except that in the case of nuclear incidents occurring outside the United States, the Commission or any person indemnified may apply to the United States District Court for the District of Columbia, and upon a showing that the public liability from a single nuclear incident will probably exceed the limit of liability imposed by this section, shall be entitled to such orders as may be appropriate for enforcement of the provisions of this section,

including an order limiting the liability of the persons indemnified, orders staying the payment of claims and the execution of court judgments, orders apportioning the payments to be made to claimants, orders permitting partial payments to be made before final determination of the total claims, and an order setting aside a part of the funds available for possible latent injuries not discovered until a later time."

SEC. 8. Section 261 of the Atomic Energy Act of 1954 is amended by adding thereto the following new subsections:

71 Stat. 274.  
42 USC 2017.

"c. Funds are hereby authorized to be appropriated for advance planning, construction design, and architectural services in connection with any plant or facility not otherwise authorized, and for the restoration or replacement of any plant or facility destroyed or otherwise seriously damaged, and the Commission is authorized to use available funds for such purposes.

Appropriation.

"d. Funds hereafter authorized to be appropriated for any project to be used in connection with the development or production of special nuclear material or atomic weapons may be used to start another project not otherwise authorized if the substituted project is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

"(1) the substituted project is essential to the common defense and security;

"(2) the substituted project is required by changes in weapon characteristics or weapon logistic operations; and

"(3) the Commission is unable to enter into a contract with any person on terms satisfactory to it to furnish from a privately owned plant or facility the product or services to be provided by the new project."

SEC. 9. Section 109 of the Atomic Energy Act of 1954 is amended by striking out the words "11p.(2) or 11v.(2)" and substituting therefor the words "11t.(2) or 11aa.(2)".

68 Stat. 939.  
42 USC 2139.

SEC. 10. Subsection 145f. of the Atomic Energy Act of 1954 is amended by striking out the comma after the word "investigation".

75 Stat. 476.  
42 USC 2165.

SEC. 11. Section 152 of the Atomic Energy Act of 1954 is amended by striking out the word "allowances" in the first paragraph thereof and substituting therefor the word "allowance".

SEC. 12. Subsection 161n. of the Atomic Energy Act of 1954 is amended by striking out the words "145e." and substituting therefor the words "145f."

72 Stat. 337.  
42 USC 2201.

Approved August 29, 1962.

## Public Law 87-616

### AN ACT

August 30, 1962  
[H. R. 11721]

To authorize the payment of the balance of awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of April 30, 1946, and to authorize the appropriation of \$73,000,000 for that purpose.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Foreign Claims Settlement Commission (hereafter in this Act referred to as the "Commission") shall provide, out of funds appropriated pursuant to this Act, for the payment of the unpaid balance of awards heretofore made by the Philippine War Damage Commission under title I of the Philippine Rehabilitation Act of 1946. No payment shall be made under this Act to any person, or to his successors in interest, on account of any award unless payment was made on such award under the Philippine Rehabilitation Act of 1946, and the maximum amount paid under this Act, when added to amounts paid under the Philippine

Foreign Claims  
Settlement Com-  
mission.

Payment of bal-  
ance of awards  
to Philippines.

60 Stat. 128.  
50 USC app.  
1751 note.

62 Stat. 1245;  
66 Stat. 48;  
70 Stat. 1063.  
50 USC app.  
2006.

Publication in  
F. R.

Rehabilitation Act of 1946 and section 7 of the War Claims Act of 1948 on account of any claim shall not exceed the aggregate amount of claims approved in favor of such claimant after reduction under the last proviso of section 102(a) of the Philippine Rehabilitation Act of 1946. All payments under this Act in amounts over 25,000 pesos or equivalent value in dollars shall be subject to the provisions of section 104(c) of the Philippine Rehabilitation Act of 1946.

SEC. 2. Within sixty days after the enactment of this Act, or of legislation appropriating for administration expenses incurred in carrying out this Act, whichever is later, the Commission shall prescribe and publish in the Federal Register and give appropriate publicity in the Republic of the Philippines concerning the period, not in excess of twelve additional months, within which application must be filed under this Act. The Commission shall complete its determination and take final action with respect to applications filed under this Act not later than one year after the last date on which applications may be filed.

SEC. 3. The Commission shall give maximum publicity in the Republic of the Philippines to the provisions of this Act, and through utilization of the records of the former Philippine War Damage Commission shall attempt to notify individual claimants of their right to file applications for payment under this Act, by mailing notice thereof to the last known address of such claimants as shown by such records.

SEC. 4. The Commission shall notify all applicants of the approval or denial of their applications and, if approved, shall notify such applicants of the amount for which such applications are approved. Any applicant whose application is denied, or is approved for less than the amount of such application, shall be entitled, under such regulations as the Commission may prescribe, to a hearing before the Commission or its representative with respect to such application. Upon such hearing, the Commission may affirm, modify, or reverse its former action with respect to such application, including a denial or reduction in the amount of award theretofore approved. All findings of the Commission concerning the persons to whom compensation pursuant to this Act is payable, and the amounts thereof, shall be conclusive and not be reviewable by any court.

SEC. 5. (a) Each award made under this Act shall be certified to the Secretary of the Treasury in terms of United States currency on the basis of the rate of exchange (that is, P/2 equals \$1) which was applied in the Philippine Rehabilitation Act of 1946, for payment out of sums appropriated pursuant to section 8 of this Act. Such payments shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe. Payments authorized under this Act shall be made in United States dollars or in Philippine pesos at the option of the Secretary of the Treasury; however, notwithstanding the last sentence of the first section of this Act, payment shall not be made outside of the Republic of the Philippines to any claimant residing outside the Republic of the Philippines unless he establishes to the satisfaction of the Commission that since the date of the loss or damage on account of which the original award was made he has heretofore invested in such manner as furthered the rehabilitation or economic development of the Philippines an amount not less than the claims approved in his favor after reduction under the last proviso of section 102(a) of the Philippine Rehabilitation Act of 1946. After all approved claims have been paid up to the maximum permitted, the balance of the appropriation shall revert to the United States Treasury. Payment shall not be made under this Act on any claim filed under the Philippine Rehabilitation Act of 1946 or under this Act which was acquired from a predecessor in interest by purchase,

60 Stat. 129.  
50 USC app.  
1751 note.

except where such purchase was in the ordinary course of business in connection with the acquisition of all assets of a business firm.

(b) Such of the records of the Philippine War Damage Commission as the Foreign Claims Settlement Commission may deem necessary for carrying out its functions under this Act shall be transferred to the Foreign Claims Settlement Commission.

SEC. 6. The total remuneration on account of services rendered or to be rendered to or on behalf of any applicant in connection with any application filed under this Act shall not exceed 5 per centum of the amount paid by the Commission on account of such application. Any agreement to the contrary shall be unlawful and void. Whoever, subject to the jurisdiction of the United States, violates this section shall be fined not more than \$5,000 or imprisoned for not more than one year, or both. Where any payment is made in violation of this section, the Commission shall take such action as may be appropriate to recover the same.

SEC. 7. For the purposes of carrying out this Act, the following provisions of the International Claims Settlement Act of 1949 shall, to the extent not inconsistent with this Act, be applicable in the administration of this Act: Subsections (c), (d), (e), and (i) of section 4; subsections (d) and (e) of section 7; and subsection (c) of section 7 except that with respect to applicants not subject to the jurisdiction of the United States, references in such subsection (c) to the Comptroller General of the United States shall be deemed to refer to the Secretary of the Treasury.

64 Stat. 13.  
22 USC 1623.  
22 USC 1626.

SEC. 8. There is authorized to be appropriated not more than \$73,000,000 to make payments on awards certified pursuant to this Act, plus such additional sums as may be necessary for the administrative expenses of the Commission and of the Secretary of the Treasury in carrying out this Act.

Appropriation.

Approved August 30, 1962, 9:50 a.m.

## Public Law 87-617

### AN ACT

August 31, 1962  
[S. 2256]

To amend section 5 of the War Claims Act of 1948 to provide detention and other benefits thereunder to certain Guamanians killed or captured by the Japanese at Wake Island.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 5 of the War Claims Act of 1948 is amended by adding at the end thereof the following new subsection:

“(h) In the case of any Guamanian killed or captured by the Imperial Japanese Government on or after December 7, 1941, at Wake Island, benefits shall be granted under subsections (a) through (f) of this section in the same manner and to the same extent as apply in the case of civilian American citizens so killed or captured. Claims for benefits under subsections (a) through (e) of this section must be filed within six months after the date of enactment of this subsection, and the time limitation applicable to any individual by subsection (f) shall not begin to run until the date of enactment of this subsection, with respect to any individual who is entitled to such benefits solely by reason of this subsection. The preceding sentence shall not be construed to affect the right of any individual to receive such benefits with respect to any period prior to the date of enactment of this subsection.”

Guamanians.  
Benefits under  
War Claims Act of  
1948.  
62 Stat. 1242;  
68 Stat. 759.  
50 USC app.  
2004.

Approved August 31, 1962.

Public Law 87-618

August 31, 1962  
[S. J. Res. 132]

JOINT RESOLUTION

Extending recognition to the International Exposition for Southern California in the year 1966 and authorizing the President to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the exposition.

Whereas the International Exposition for Southern California, to be held at Long Beach, California, in the year 1966, the Planet of Man Exposition, will depict the role of arts and sciences, commerce and industry as it applies to the life of mankind on the planet of Earth; and

Whereas the exposition will encompass the five phases of man's life in the realms of living, learning, working, moving, and playing; and

Whereas the exposition will exhibit the various cultures of the nations of the Earth; and

Whereas the exposition will provide an adequate medium for interchange of information by which all people may evaluate the attainments of men of other nations; and

Whereas the exposition will encourage tourist travel to the United States, and stimulate foreign trade; and

Whereas the exposition has met with enthusiastic response from official bodies, organizations, and individuals in California, Los Angeles County, and the city of Long Beach: Therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress hereby recognizes the International Exposition for Southern California in the year 1966 as an event designed to develop and intensify a climate of good will and understanding among men and nations, thereby promoting a lasting peace among all people on the planet of the Earth.

SEC. 2. To implement the recognition declared in the first section of this Act, the President, at such time as he deems appropriate, is authorized and requested to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the exposition.

Approved August 31, 1962.

International  
Exposition for  
Southern Cali-  
fornia, 1966.

Presidential  
proclamation.

Public Law 87-619

AN ACT

August 31, 1962  
[S. 538]

To amend section 205 of the Federal Property and Administrative Services Act of 1949 to empower certain officers and employees of the General Services Administration to administer oaths to any person.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486) is amended by adding at the end thereof the following new subsection:

“(i) If authorized by the Administrator, officers and employees of the General Services Administration having investigatory functions are empowered, while engaged in the performance of their duties in conducting investigations, to administer oaths to any person.”

Approved August 31, 1962.

Federal Prop-  
erty and Adminis-  
trative Services  
Act of 1949,  
amendment.  
Oaths.  
63 Stat. 389.

## Public Law 87-620

## AN ACT

August 31, 1962  
[S. 3016]

To amend the Act of March 2, 1929, and the Act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to establish load lines for American vessels, and for other purposes", approved March 2, 1929, as amended (46 U.S.C. 85-85g), is amended as follows:

Oceangoing and coastwise vessels.  
Load lines.  
45 Stat. 1492.

(1) Subsection (a) of the first section is amended by striking out "the Great Lakes excepted" and inserting in lieu thereof "or arriving within the jurisdiction of the United States or its possessions from a foreign voyage by sea, in both cases the Great Lakes excepted".

(2) Section 7 (46 U.S.C. 85f) is amended—

(A) by adding the words "or Coast Guard district commander" following the words "collector of customs" in the first sentence;

(B) by adding the words "or Coast Guard district commander" following the word "collector" wherever it appears after the first sentence; and

(C) by adding the following sentence at the end thereof: "The owner and agent of a vessel surveyed and found in violation of this Act or regulations established thereunder shall bear the costs of the survey in addition to any penalty or fine imposed."

Liability for surveys.

(3) Section 8 (46 U.S.C. 85g) is amended—

Penalties.

(A) by amending subsection (a) to read as follows:

"(a) The owner and/or master of any vessel subject to this Act and the regulations established thereunder shall be liable to the United States in a penalty not to exceed \$1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States in violation of the provisions of this Act or the regulations established thereunder, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas in violation of the provisions of this Act or the regulations established thereunder. Each day a vessel is in violation of the provisions of this Act shall constitute a separate offense. The Secretary of the department in which the Coast Guard is operating may assess, collect, remit, and mitigate any penalty imposed under this Act."

(B) by amending subsection (b)—

(1) by striking out the figure "\$100" and inserting the figure "\$500" in place thereof; and

(2) by striking out the last sentence thereof;

(C) by amending subsection (c)—

53 Stat. 783.

(1) by striking out the figure "\$500" and inserting the following words and figures in place thereof, "\$1,000 plus a sum computed at the rate of \$500 per inch of draft in excess of the vessel's applicable load line"; and

(2) by striking out the last sentence thereof;

(D) by striking out the figure "\$500" in subsection (d) and inserting the figure "\$1,000" in place thereof;

(E) by striking out the figure "\$1,000" in subsection (e) and inserting the figure "\$2,000" in place thereof.

SEC. 2. The Act entitled "An Act to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes", approved August 27, 1935, as amended (46 U.S.C. 88–88i), is amended as follows:

49 Stat. 888.

49 Stat. 1543.  
Regulations.

(1) Section 2 (46 U.S.C. 88a) is amended to read as follows:

"SEC. 2. The Secretary of the department in which the Coast Guard is operating is hereby authorized and directed in respect of the vessels defined above to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded. Such regulations shall have the force of law. In establishing such load lines due consideration shall be given to, and differentials made for, the various types and character of vessels and the trades in which they are engaged. In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age and condition of the vessel, its subdivision and efficacy thereof, and the probable stability of the vessel if damaged: *Provided*, That the load-line provisions of this Act shall apply to the Great Lakes: *Provided further*, That no load line shall be established or marked on any vessel, which load line in the judgment of the Secretary is above the actual line of safety."

49 Stat. 889.

(2) Section 7 (46 U.S.C. 88f) is amended—

(A) by adding the words "or Coast Guard district commander" following the words "collector of customs" in the first sentence;

(B) by adding the words "or Coast Guard district commander" following the word "collector" wherever it appears after the first sentence; and

Liability for  
surveys.

(C) by adding the following sentence at the end thereof: "The owner and agent of a vessel surveyed and found in violation of this Act or regulations established thereunder shall bear the costs of the survey in addition to any penalty or fine imposed."

Penalties.

(3) Section 8 (46 U.S.C. 88g) is amended—

(A) by amending subsection (a) to read as follows:

"(a) The owner and/or master of any vessel subject to this Act and the regulations established thereunder shall be liable to the United States in a penalty not to exceed \$1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States, in violation of the provisions of this Act or the regulations established thereunder, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas in violation of the provisions of this Act or the regulations established thereunder. Each day a vessel is in violation of the provisions of this Act shall constitute a separate offense. The Secretary of the Department in which the Coast Guard is operating may assess, collect, remit, and mitigate any penalty imposed under this Act."

(B) by amending subsection (b)—

(1) by striking out the figure "\$100" and inserting the figure "\$500" in place thereof; and

(2) by striking out the last sentence thereof;

(C) by amending subsection (c)—

(1) by striking out the figure "\$500" and inserting the following words and figures in place thereof, "\$1,000 plus a sum computed at the rate of \$500 per inch of draft in excess of the vessel's applicable load line"; and

(2) by striking out the last sentence thereof;

(D) by striking out the figure "\$500" in subsection (d) and inserting the figure "\$1,000" in place thereof;

(E) by striking out the figure "\$1,000" in subsection (e) and inserting the figure "\$2,000" in place thereof.

Approved August 31, 1962.



## Public Law 87-621

## AN ACT

To amend title 28, United States Code, with respect to fees of United States marshals, and for other purposes.

August 31, 1962  
[H. R. 10651]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1921 of title 28, United States Code, is amended to read as follows:

U. S. marshals.  
Fees.  
62 Stat. 955.

**"§ 1921. United States marshals' fees**

"Only the following fees of United States marshals shall be collected and taxed as costs, except as otherwise provided:

"For serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachment, summons, capias, or any other writ, order, or process in any case or proceeding, except as otherwise provided, \$3;

"For serving a subpoena or summons for a witness or appraiser, \$2;

"For forwarding any writ, order, or process to another judicial district for service, in addition to the prescribed fee, \$1;

"For the preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale, \$3;

"For seizing or levying on property (including seizures in admiralty), disposing of the same by sale, setoff, or otherwise and receiving and paying over money, commissions of 3 per centum on the first \$1,000 of the amounts collected and 1½ per centum on the excess of any sum over \$1,000. If not disposed of by marshal's sale, the commission shall be in such amount as may be allowed by the court. In all cases in which the vessel or other property is sold by a public auctioneer, or by some party other than the marshal or his deputy, the commission herein authorized to be paid to the marshal shall be reduced by the amount paid to said auctioneer or other party;

"For the keeping of property attached (including boats, vessels, or other property attached or libeled) actual expenses incurred, such as storage, moving, boat hire, or other special transportation, watchmen's or keepers' fees, insurance, and \$3 per hour for each deputy marshal required for special services, such as guarding, inventorying, moving, and so forth. The marshals shall collect, in advance, a deposit to cover the initial expenses for such services and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded;

"For copies of writs or other papers furnished at the request of any party, 30 cents per folio of one hundred words or fraction thereof;

"For all services in a criminal case except for the summoning of witnesses, a sum to be fixed by the court not exceeding \$25 where conviction is for a misdemeanor and not exceeding \$100 where conviction is for a felony;

"For necessary travel in serving or endeavoring to serve any process, writ, or order, 12 cents per mile, or fraction thereof, to be computed from the place where service is returnable to the place of service or endeavor; or, where two or more services or endeavors, or where an endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of service or endeavor which is most remote from the place where service is returnable, adding thereto any additional mileage traveled in serving or endeavoring to serve in behalf of that party. When two or more writs of any kind, required to be served in behalf of the same party, on the same person, in the same case or proceeding, may be served at the same time, mileage on only one such writ shall be collected;

"No mileage fees shall be collected for services or endeavors to serve in the District of Columbia;

"The marshal may require a deposit to cover all fees and expenses herein prescribed."

Repeal.

SEC. 2. Section 1112 of the Act of March 3, 1901, entitled "An Act to establish a code of law for the District of Columbia" (31 Stat. 1189, 1365; sec. 11-1510, D.C. Code, 1961 edition), as amended, is repealed.

Effective date.

SEC. 3. This Act shall become effective ninety days after enactment.

Approved August 31, 1962.

## Public Law 87-622

August 31, 1962  
[S. 1005]

### AN ACT

To amend section 10 and section 3 of the Federal Reserve Act, and for other purposes.

Federal Reserve  
branch bank build-  
ings.

42 Stat. 1223;  
67 Stat. 41.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the ninth paragraph of section 10 of the Federal Reserve Act, as amended (U.S.C., title 12, sec. 522), is amended by striking out "\$30,000,000" and inserting "\$60,000,000".

40 Stat. 232.

SEC. 2. Section 3 of the Federal Reserve Act, as amended (U.S.C., title 12, sec. 521), is hereby further amended by adding at the end thereof the following paragraph:

"No Federal Reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any branch bank building of any kind or character or to authorize the erection of any such building, except with the approval of the Board of Governors of the Federal Reserve System."

Approved August 31, 1962.

## Public Law 87-623

August 31, 1962  
[S. 2876]

### AN ACT

To extend for one year the authority to insure mortgages under sections 809 and 810 of the National Housing Act.

Armed Services.  
Housing mort-  
gage insurance,  
extension.

63 Stat. 571;  
75 Stat. 111.  
12 USC 1748b.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the last proviso in section 803(a) of the National Housing Act is amended—

(1) by striking out "under this title" and inserting in lieu thereof "under this section"; and

(2) by striking out "under section 803 of this title" and inserting in lieu thereof "under this section".

70 Stat. 273.

12 USC 1748h-1.

SEC. 2. Section 809(f) of the National Housing Act is amended by striking out "and the expiration date of the Commissioner's authority to insure", and by adding at the end thereof the following new sentence: "No more mortgages shall be insured under this section after October 1, 1963, except pursuant to a commitment to insure before such date."

73 Stat. 683.  
12 USC 1748h-2.

SEC. 3. Section 810(k) of the National Housing Act is amended by striking out "and the expiration date of the Commissioner's authority to insure", and by adding at the end thereof the following new sentence: "No more mortgages shall be insured under this section after October 1, 1963, except pursuant to a commitment to insure before such date."

Approved August 31, 1962.

## Public Law 87-624

## AN ACT

To provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

August 31, 1962  
[H. R. 11040]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—SHORT TITLE, DECLARATION OF POLICY AND DEFINITIONS

### SHORT TITLE

SEC. 101. This Act may be cited as the “Communications Satellite Act of 1962”.

Communications  
Satellite Act of  
1962.

### DECLARATION OF POLICY AND PURPOSE

SEC. 102. (a) The Congress hereby declares that it is the policy of the United States to establish, in conjunction and in cooperation with other countries, as expeditiously as practicable a commercial communications satellite system, as part of an improved global communications network, which will be responsive to public needs and national objectives, which will serve the communication needs of the United States and other countries, and which will contribute to world peace and understanding.

(b) The new and expanded telecommunication services are to be made available as promptly as possible and are to be extended to provide global coverage at the earliest practicable date. In effectuating this program, care and attention will be directed toward providing such services to economically less developed countries and areas as well as those more highly developed, toward efficient and economical use of the electromagnetic frequency spectrum, and toward the reflection of the benefits of this new technology in both quality of services and charges for such services.

(c) In order to facilitate this development and to provide for the widest possible participation by private enterprise, United States participation in the global system shall be in the form of a private corporation, subject to appropriate governmental regulation. It is the intent of Congress that all authorized users shall have nondiscriminatory access to the system; that maximum competition be maintained in the provision of equipment and services utilized by the system; that the corporation created under this Act be so organized and operated as to maintain and strengthen competition in the provision of communications services to the public; and that the activities of the corporation created under this Act and of the persons or companies participating in the ownership of the corporation shall be consistent with the Federal antitrust laws.

(d) It is not the intent of Congress by this Act to preclude the use of the communications satellite system for domestic communication services where consistent with the provisions of this Act nor to preclude the creation of additional communications satellite systems, if required to meet unique governmental needs or if otherwise required in the national interest.

### DEFINITIONS

SEC. 103. As used in this Act, and unless the context otherwise requires—

(1) the term “communications satellite system” refers to a system of communications satellites in space whose purpose is to relay telecommunication information between satellite terminal sta-

tions, together with such associated equipment and facilities for tracking, guidance, control, and command functions as are not part of the generalized launching, tracking, control, and command facilities for all space purposes;

(2) the term "satellite terminal station" refers to a complex of communication equipment located on the earth's surface, operationally connected with one or more terrestrial communication systems, and capable of transmitting telecommunications to or receiving telecommunications from a communications satellite system.

(3) the term "communications satellite" means an earth satellite which is intentionally used to relay telecommunication information;

(4) the term "associated equipment and facilities" refers to facilities other than satellite terminal stations and communications satellites, to be constructed and operated for the primary purpose of a communications satellite system, whether for administration and management, for research and development, or for direct support of space operations;

(5) the term "research and development" refers to the conception, design, and first creation of experimental or prototype operational devices for the operation of a communications satellite system, including the assembly of separate components into a working whole, as distinguished from the term "production," which relates to the construction of such devices to fixed specifications compatible with repetitive duplication for operational applications; and

(6) the term "telecommunication" means any transmission, emission or reception of signs, signals, writings, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems.

(7) the term "communications common carrier" has the same meaning as the term "common carrier" has when used in the Communications Act of 1934, as amended, and in addition includes, but only for purposes of sections 303 and 304, any individual, partnership, association, joint-stock company, trust, corporation, or other entity which owns or controls, directly or indirectly, or is under direct or indirect common control with, any such carrier; and the term "authorized carrier", except as otherwise provided for purposes of section 304 by section 304(b)(1), means a communications common carrier which has been authorized by the Federal Communications Commission under the Communications Act of 1934, as amended, to provide services by means of communications satellites;

(8) the term "corporation" means the corporation authorized by title III of this Act.

(9) the term "Administration" means the National Aeronautics and Space Administration; and

(10) the term "Commission" means the Federal Communications Commission.

## TITLE II—FEDERAL COORDINATION, PLANNING, AND REGULATION

### IMPLEMENTATION OF POLICY

SEC. 201. In order to achieve the objectives and to carry out the purposes of this Act—

(a) the President shall—

(1) aid in the planning and development and foster the execution of a national program for the establishment and operation, as expeditiously as possible, of a commercial communications satellite system;

(2) provide for continuous review of all phases of the development and operation of such a system, including the activities of a communications satellite corporation authorized under title III of this Act;

(3) coordinate the activities of governmental agencies with responsibilities in the field of telecommunication, so as to insure that there is full and effective compliance at all times with the policies set forth in this Act;

(4) exercise such supervision over relationships of the corporation with foreign governments or entities or with international bodies as may be appropriate to assure that such relationships shall be consistent with the national interest and foreign policy of the United States;

(5) insure that timely arrangements are made under which there can be foreign participation in the establishment and use of a communications satellite system;

(6) take all necessary steps to insure the availability and appropriate utilization of the communications satellite system for general governmental purposes except where a separate communications satellite system is required to meet unique governmental needs, or is otherwise required in the national interest; and

(7) so exercise his authority as to help attain coordinated and efficient use of the electromagnetic spectrum and the technical compatibility of the system with existing communications facilities both in the United States and abroad.

(b) the National Aeronautics and Space Administration shall—

(1) advise the Commission on technical characteristics of the communications satellite system;

(2) cooperate with the corporation in research and development to the extent deemed appropriate by the Administration in the public interest;

(3) assist the corporation in the conduct of its research and development program by furnishing to the corporation, when requested, on a reimbursable basis, such satellite launching and associated services as the Administration deems necessary for the most expeditious and economical development of the communications satellite system;

(4) consult with the corporation with respect to the technical characteristics of the communications satellite system;

(5) furnish to the corporation, on request and on a reimbursable basis, satellite launching and associated services required for the establishment, operation, and maintenance of the communications satellite system approved by the Commission; and

(6) to the extent feasible, furnish other services, on a reimbursable basis, to the corporation in connection with the establishment and operation of the system.

(c) the Federal Communications Commission, in its administration of the provisions of the Communications Act of 1934, as amended, and as supplemented by this Act, shall—

48 Stat. 1064.  
47 USC 609.

(1) insure effective competition, including the use of competitive bidding where appropriate, in the procurement by the corporation and communications common carriers of apparatus, equipment, and services required for the establishment and operation of the communications satellite system and satellite terminal stations; and the Commission shall consult with the Small Business Administration and solicit its recommendations on measures and procedures which will insure that small business concerns are given an equitable opportunity to share in the procurement program of the corporation for property and services, including but not limited to research, development, construction, maintenance, and repair.

(2) insure that all present and future authorized carriers shall have nondiscriminatory use of, and equitable access to, the communications satellite system and satellite terminal stations under just and reasonable charges, classifications, practices, regulations, and other terms and conditions and regulate the manner in which available facilities of the system and stations are allocated among such users thereof;

(3) in any case where the Secretary of State, after obtaining the advice of the Administration as to technical feasibility, has advised that commercial communication to a particular foreign point by means of the communications satellite system and satellite terminal stations should be established in the national interest, institute forthwith appropriate proceedings under section 214(d) of the Communications Act of 1934, as amended, to require the establishment of such communication by the corporation and the appropriate common carrier or carriers;

57 Stat. 12.  
47 USC 214.

(4) insure that facilities of the communications satellite system and satellite terminal stations are technically compatible and interconnected operationally with each other and with existing communications facilities;

(5) prescribe such accounting regulations and systems and engage in such ratemaking procedures as will insure that any economies made possible by a communications satellite system are appropriately reflected in rates for public communication services;

(6) approve technical characteristics of the operational communications satellite system to be employed by the corporation and of the satellite terminal stations; and

(7) grant appropriate authorizations for the construction and operation of each satellite terminal station, either to the corporation or to one or more authorized carriers or to the corporation and one or more such carriers jointly, as will best serve the public interest, convenience, and necessity. In determining the public interest, convenience, and necessity the Commission shall authorize the construction and operation of such stations by communications common carriers or the corporation, without preference to either;

(8) authorize the corporation to issue any shares of capital stock, except the initial issue of capital stock referred to in section 304(a), or to borrow any moneys, or to assume any

obligation in respect of the securities of any other person, upon a finding that such issuance, borrowing, or assumption is compatible with the public interest, convenience, and necessity and is necessary or appropriate for or consistent with carrying out the purposes and objectives of this Act by the corporation;

(9) insure that no substantial additions are made by the corporation or carriers with respect to facilities of the system or satellite terminal stations unless such additions are required by the public interest, convenience, and necessity;

(10) require, in accordance with the procedural requirements of section 214 of the Communications Act of 1934, as amended, that additions be made by the corporation or carriers with respect to facilities of the system or satellite terminal stations where such additions would serve the public interest, convenience, and necessity; and

(11) make rules and regulations to carry out the provisions of this Act.

57 Stat. 11.  
47 USC 214.

### TITLE III—CREATION OF A COMMUNICATIONS SATELLITE CORPORATION

#### CREATION OF CORPORATION

SEC. 301. There is hereby authorized to be created a communications satellite corporation for profit which will not be an agency or establishment of the United States Government. The corporation shall be subject to the provisions of this Act and, to the extent consistent with this Act, to the District of Columbia Business Corporation Act. The right to repeal, alter, or amend this Act at any time is expressly reserved.

68 Stat. 177.  
D.C. Code  
29-901.

#### PROCESS OF ORGANIZATION

SEC. 302. The President of the United States shall appoint incorporators, by and with the advice and consent of the Senate, who shall serve as the initial board of directors until the first annual meeting of stockholders or until their successors are elected and qualified. Such incorporators shall arrange for an initial stock offering and take whatever other actions are necessary to establish the corporation, including the filing of articles of incorporation, as approved by the President.

#### DIRECTORS AND OFFICERS

SEC. 303. (a) The corporation shall have a board of directors consisting of individuals who are citizens of the United States, of whom one shall be elected annually by the board to serve as chairman. Three members of the board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, effective the date on which the other members are elected, and for terms of three years or until their successors have been appointed and qualified, except that the first three members of the board so appointed shall continue in office for terms of one, two, and three years, respectively, and any member so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Six members of the board shall be elected annually by those stockholders who are communications common carriers and six shall be elected annually by the other stockholders of the corporation. No stockholder who is a communications common carrier and no trustee for such a stockholder shall vote, either directly or indirectly, through the votes of subsidiaries or affiliated companies, nominees, or any persons subject to

his direction or control, for more than three candidates for membership on the board. Subject to such limitation, the articles of incorporation to be filed by the incorporators designated under section 302 shall provide for cumulative voting under section 27(d) of the District of Columbia Business Corporation Act (D.C. Code, sec. 29-911(d)).

68 Stat. 191.

(b) The corporation shall have a president, and such other officers as may be named and appointed by the board, at rates of compensation fixed by the board, and serving at the pleasure of the board. No individual other than a citizen of the United States may be an officer of the corporation. No officer of the corporation shall receive any salary from any source other than the corporation during the period of his employment by the corporation.

#### FINANCING OF THE CORPORATION

SEC. 304. (a) The corporation is authorized to issue and have outstanding, in such amounts as it shall determine, shares of capital stock, without par value, which shall carry voting rights and be eligible for dividends. The shares of such stock initially offered shall be sold at a price not in excess of \$100 for each share and in a manner to encourage the widest distribution to the American public. Subject to the provisions of subsections (b) and (d) of this section, shares of stock offered under this subsection may be issued to and held by any person.

"Authorized carrier."

(b)(1) For the purposes of this section the term "authorized carrier" shall mean a communications common carrier which is specifically authorized or which is a member of a class of carriers authorized by the Commission to own shares of stock in the corporation upon a finding that such ownership will be consistent with the public interest, convenience, and necessity.

(2) Only those communications common carriers which are authorized carriers shall own shares of stock in the corporation at any time, and no other communications common carrier shall own shares either directly or indirectly through subsidiaries or affiliated companies, nominees, or any persons subject to its direction or control. Fifty per centum of the shares of stock authorized for issuance at any time by the corporation shall be reserved for purchase by authorized carriers and such carriers shall in the aggregate be entitled to make purchases of the reserved shares in a total number not exceeding the total number of the nonreserved shares of any issue purchased by other persons. At no time after the initial issue is completed shall the aggregate of the shares of voting stock of the corporation owned by authorized carriers directly or indirectly through subsidiaries or affiliated companies, nominees, or any persons subject to their direction or control exceed 50 per centum of such shares issued and outstanding.

(3) At no time shall any stockholder who is not an authorized carrier, or any syndicate or affiliated group of such stockholders, own more than 10 per centum of the shares of voting stock of the corporation issued and outstanding.

(c) The corporation is authorized to issue, in addition to the stock authorized by subsection (a) of this section, nonvoting securities, bonds, debentures, and other certificates of indebtedness as it may determine. Such nonvoting securities, bonds, debentures, or other certificates of indebtedness of the corporation as a communications common carrier may own shall be eligible for inclusion in the rate base of the carrier to the extent allowed by the Commission. The vot-



ing stock of the corporation shall not be eligible for inclusion in the rate base of the carrier.

(d) Not more than an aggregate of 20 per centum of the shares of stock of the corporation authorized by subsection (a) of this section which are held by holders other than authorized carriers may be held by persons of the classes described in paragraphs (1), (2), (3), (4), and (5) of section 310(a) of the Communications Act of 1934, as amended (47 U.S.C. 310).

48 Stat. 1086.

(e) The requirement of section 45(b) of the District of Columbia Business Corporation Act (D.C. Code, sec. 29-920(b)) as to the percentage of stock which a stockholder must hold in order to have the rights of inspection and copying set forth in that subsection shall not be applicable in the case of holders of the stock of the corporation, and they may exercise such rights without regard to the percentage of stock they hold.

68 Stat. 197.

(f) Upon application to the Commission by any authorized carrier and after notice and hearing, the Commission may compel any other authorized carrier which owns shares of stock in the corporation to transfer to the applicant, for a fair and reasonable consideration, a number of such shares as the Commission determines will advance the public interest and the purposes of this Act. In its determination with respect to ownership of shares of stock in the corporation, the Commission, whenever consistent with the public interest, shall promote the widest possible distribution of stock among the authorized carriers.

#### PURPOSES AND POWERS OF THE CORPORATION

SEC. 305. (a) In order to achieve the objectives and to carry out the purposes of this Act, the corporation is authorized to—

(1) plan, initiate, construct, own, manage, and operate itself or in conjunction with foreign governments or business entities a commercial communications satellite system;

(2) furnish, for hire, channels of communication to United States communications common carriers and to other authorized entities, foreign and domestic; and

(3) own and operate satellite terminal stations when licensed by the Commission under section 201(c)(7).

(b) Included in the activities authorized to the corporation for accomplishment of the purposes indicated in subsection (a) of this section, are, among others not specifically named—

(1) to conduct or contract for research and development related to its mission;

(2) to acquire the physical facilities, equipment and devices necessary to its operations, including communications satellites and associated equipment and facilities, whether by construction, purchase, or gift;

(3) to purchase satellite launching and related services from the United States Government;

(4) to contract with authorized users, including the United States Government, for the services of the communications satellite system; and

(5) to develop plans for the technical specifications of all elements of the communications satellite system.

(c) To carry out the foregoing purposes, the corporation shall have the usual powers conferred upon a stock corporation by the District of Columbia Business Corporation Act.

68 Stat. 177.  
D. C. Code  
29-901.

## TITLE IV—MISCELLANEOUS

## APPLICABILITY OF COMMUNICATIONS ACT OF 1934

SEC. 401. The corporation shall be deemed to be a common carrier within the meaning of section 3(h) of the Communications Act of 1934, as amended, and as such shall be fully subject to the provisions of title II and title III of that Act. The provision of satellite terminal station facilities by one communication common carrier to one or more other communications common carriers shall be deemed to be a common carrier activity fully subject to the Communications Act. Whenever the application of the provisions of this Act shall be inconsistent with the application of the provisions of the Communications Act, the provisions of this Act shall govern.

48 Stat. 1066.  
47 USC 153.  
48 Stat. 1070;  
Ante, p. 64.  
47 USC 201-  
222, 301-397.

## NOTICE OF FOREIGN BUSINESS NEGOTIATIONS

SEC. 402. Whenever the corporation shall enter into business negotiations with respect to facilities, operations, or services authorized by this Act with any international or foreign entity, it shall notify the Department of State of the negotiations, and the Department of State shall advise the corporation of relevant foreign policy considerations. Throughout such negotiations the corporation shall keep the Department of State informed with respect to such considerations. The corporation may request the Department of State to assist in the negotiations, and that Department shall render such assistance as may be appropriate.

## SANCTIONS

SEC. 403. (a) If the corporation created pursuant to this Act shall engage in or adhere to any action, practices, or policies inconsistent with the policy and purposes declared in section 102 of this Act, or if the corporation or any other person shall violate any provision of this Act, or shall obstruct or interfere with any activities authorized by this Act, or shall refuse, fail, or neglect to discharge his duties and responsibilities under this Act, or shall threaten any such violation, obstruction, interference, refusal, failure, or neglect, the district court of the United States for any district in which such corporation or other person resides or may be found shall have jurisdiction, except as otherwise prohibited by law, upon petition of the Attorney General of the United States, to grant such equitable relief as may be necessary or appropriate to prevent or terminate such conduct or threat.

(b) Nothing contained in this section shall be construed as relieving any person of any punishment, liability, or sanction which may be imposed otherwise than under this Act.

(c) It shall be the duty of the corporation and all communications common carriers to comply, insofar as applicable, with all provisions of this Act and all rules and regulations promulgated thereunder.

## REPORTS TO THE CONGRESS

SEC. 404. (a) The President shall transmit to the Congress in January of each year a report which shall include a comprehensive description of the activities and accomplishments during the preceding calendar year under the national program referred to in section 201(a)(1), together with an evaluation of such activities and accomplishments in terms of the attainment of the objectives of this Act and any recommendations for additional legislative or other action which the President may consider necessary or desirable for the attainment of such objectives.

(b) The corporation shall transmit to the President and the Congress, annually and at such other times as it deems desirable, a comprehensive and detailed report of its operations, activities, and accomplishments under this Act.

(c) The Commission shall transmit to the Congress, annually and at such other times as it deems desirable, (i) a report of its activities and actions on anticompetitive practices as they apply to the communications satellite programs; (ii) an evaluation of such activities and actions taken by it within the scope of its authority with a view to recommending such additional legislation which the Commission may consider necessary in the public interest; and (iii) an evaluation of the capital structure of the corporation so as to assure the Congress that such structure is consistent with the most efficient and economical operation of the corporation.

Approved August 31, 1962, 9:51 a. m.

## Public Law 87-625

### JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1963, and for other purposes.

August 31, 1962  
[H. J. Res. 864]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the joint resolution of July 31, 1962 (Public Law 87-564), is hereby amended by striking out "August 31, 1962" and inserting in lieu thereof "September 30, 1962".

Ante, p. 254.

Approved August 31, 1962.

## Public Law 87-626

### AN ACT

To extend certain authority of the Secretary of the Interior exercised through the Geological Survey of the Department of the Interior, to areas outside the national domain.

September 5, 1962  
[S. 981]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the authority of the Secretary of the Interior, exercised through the Geological Survey of the Department of the Interior, to examine the geological structure, mineral resources, and products of the national domain, is hereby expanded to authorize such examinations outside the national domain where determined by the Secretary to be in the national interest.

Interior Dept.  
Geological Survey.  
Scientific examination authority, extension.

SEC. 2. The Secretary of the Interior shall report to the Speaker of the House of Representatives and the President of the Senate on January 31 and July 31 of each year on all actions taken pursuant to this Act during the six months ending on the December 31 and June 30 immediately preceding the reporting date and on the results of such actions.

Report to Congress.

Approved September 5, 1962.

## Public Law 87-627

September 5, 1962  
[S. 1208]

## AN ACT

To amend Public Law 86-506, Eighty-sixth Congress (74 Stat. 199), approved June 11, 1960.

Indians.  
Colorado River  
Reservation,  
Ariz.-Calif.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Public Law 86-506, Eighty-sixth Congress (74 Stat. 199), approved June 11, 1960, is hereby amended to read as follows:

Leasing of  
lands.

"Until a determination has been made of the beneficial ownership of the lands on the Colorado River Reservation, Arizona and California, that were set apart by the United States for the Indians of the Colorado River and its tributaries, the Secretary of the Interior is authorized to lease any unassigned lands on the reservation and to approve leases made by the holders of assignments heretofore made, for such uses and terms as are authorized by the Act of May 11, 1938 (52 Stat. 347; 25 U.S.C. 396a et seq.), and the Act of August 9, 1955 (69 Stat. 539), as amended (25 U.S.C. 415 et seq.), including the same uses and terms as are permitted thereby on the Agua Caliente (Palm Springs), Dania, and Navajo Reservations: *Provided, however,* That the authorization herein granted to the Secretary of the Interior shall not extend to any lands lying west of the present course of the Colorado River and south of section 25 of township 2 south, range 23 east, San Bernardino base and meridian, California, and shall not be construed to affect the resolution of any controversy over the location of the boundary of the Colorado River Reservation. Income received from any leases of unassigned lands may be expended or advanced by the Secretary for the benefit of the Colorado River Indian tribes and their members. Income received from any leases of assigned lands may be expended or advanced by the Secretary for the benefit of the assignee."

Approved September 5, 1962.

## Public Law 87-628

September 5, 1962  
[S. 2916]

## AN ACT

To change the names of the Edison Home National Historic Site and the Edison Laboratory National Monument, to authorize the acceptance of donations, and for other purposes.

Edison National  
Historic Site.  
Designation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Edison Home National Historic Site and the Edison Laboratory National Monument, together with adjacent parcels aggregating approximately seventy-one one-hundredths of an acre which have been donated to the United States for addition to the monument, are designated the Edison National Historic Site.

SEC. 2. The Secretary of the Interior may accept the donation of such lands and interests in lands, for addition to the site, as he determines will further the preservation of the Edison National Historic Site and its enjoyment by the public.

SEC. 3. The Edison National Historic Site shall be administered by the Secretary of the Interior pursuant to the Act entitled "An Act to establish a National Park Service and for other purposes," approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2, 3), as amended and supplemented.

Approved September 5, 1962.

## Public Law 87-629

## AN ACT

September 5, 1962  
[S. 3174]

To provide for the division of the tribal assets of the Ponca Tribe of Native Americans of Nebraska among the members of the tribe, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior shall, with the advice and assistance of the Ponca Tribe of Native Americans of Nebraska and pursuant to such regulations as he may prescribe, prepare a roll of the members of the tribe and record thereon persons whose names appeared on the census roll of April 1, 1934, and the supplement thereto of January 1, 1935, and their descendants of not less than one-quarter degree Indian blood of the Ponca Tribe, regardless of place of residence, who are living on the date of this Act. He shall provide a reasonable opportunity for any person to protest against the inclusion or omission of any name on or from the roll and his decision on such protests shall be final and conclusive. After all protests are disposed of, the roll shall be published in the Federal Register. The Secretary shall thereupon give the adult members of the tribe whose names appear on the roll an opportunity to indicate their agreement or disagreement with a division of tribal assets in accordance with the provisions of this Act. If a majority of those indicating agreement or disagreement are favorable to such division, the Secretary shall publish in the Federal Register a notice of the fact and the roll prepared by him shall thereupon become final and the following sections of this Act shall become effective.

Indians.  
Ponca Tribe.  
Division of  
tribal assets.

Publication in  
F. R.

SEC. 2. Each member whose name appears on the final roll of the tribe as published in the Federal Register shall be entitled to receive in accordance with the provisions of this Act an equal share of the tribe's assets that are held in trust by the United States. This right shall constitute personal property which may be inherited or bequeathed, but it shall not otherwise be subject to alienation or encumbrance.

SEC. 3. (a) All property of the United States used for the benefit of the Ponca Tribe of Native Americans of Nebraska is hereby declared to be a part of the assets of the tribe, and all of the tribe's assets shall be distributed in accordance with the provisions of this section. The distribution shall be completed within three years from the date of this Act, or as soon thereafter as practicable.

Distribution of  
assets.

(b) The tribe shall designate any part of the tribe's property that is to be set aside for church, park, playground, or cemetery purposes, and the Secretary is authorized to convey such property to trustees or agencies designated by the tribe for that purpose and approved by the Secretary.

(c) Each member may select for homesite purposes and receive title to not to exceed five acres of tribal land that is being used for homesite purposes by such member. The member shall pay the current market value of the homesite selection excluding any improvements or repairs constructed by such member, his wife, children, or ancestor, as determined by the Secretary of the Interior.

(d) All assets of the tribe that are not selected and conveyed to members shall be sold by competitive bid at not less than the current market value, and any member shall have the right to purchase property offered for sale for a price not less than the highest acceptable bid therefor. If more than one member exercises such right, the property shall be sold to the member exercising the right who offers the highest price.

(e) The net proceeds of all sales of tribal property, and all other tribal funds, shall be used to pay, as authorized by the Secretary, any debts of the tribe. The remainder of such proceeds and funds shall be divided equally among the members whose names are on the final roll, or their heirs or legatees. Any debt owed by a member, heir, or legatee to the tribe or to the United States may be set off as authorized by the Secretary against the distributive share of such person. Any member of the tribe who purchases tribal property in accordance with this section may apply on the purchase price his share of the proceeds of all sales of tribal property, and the Secretary of the Interior shall adopt sales procedures that permit such action.

**Sale of lands.**

SEC. 4. (a) The Secretary of the Interior is authorized to partition or to sell the complete interest (including any unrestricted interest) in any land in which an undivided interest is owned by a member of the Ponca Tribe of Native Americans of Nebraska in a trust or restricted status, provided the partition or sale is requested by the owners of a 25 per centum interest in the land, and the partition or sale is made within three years from the date of this Act. Any such sale shall be by competitive bid, except that with the concurrence of the owners of a 25 per centum interest in the land any owner of an interest in the land shall have the right to purchase the land within a reasonable time fixed by the Secretary of the Interior prior to a competitive sale at not less than its current market value. If more than one preference right is exercised, the sale shall be by competitive bid limited to the persons entitled to a preference. If the owners of a 25 per centum interest in the land so request, mineral rights may be reserved to the owners in an unrestricted status. The Secretary of the Interior may represent for the purposes of this section any Indian owner who is a minor, or who is non compos mentis, and, after giving reasonable notice of the proposed partition or sale by publication, he may represent an Indian owner who cannot be located.

(b) All restrictions on the alienation or taxation of interests in land that are owned by members of the Ponca Tribe of Native Americans of Nebraska three years after the date of this Act shall be deemed removed by operation of law, and an unrestricted title shall be vested in each such member.

**Surveys.**

SEC. 5. The Secretary of the Interior is authorized to make such land surveys and to execute such conveyancing instruments as he deems necessary to convey marketable and recordable title to the individual and tribal assets disposed of pursuant to this Act. Each grantee shall receive an unrestricted title to the property conveyed.

**Claims.**

SEC. 6. Nothing in this Act shall affect any claims heretofore filed against the United States by the Ponca Tribe of Native Americans of Nebraska.

SEC. 7. Nothing in this Act shall affect the rights, privileges, or obligations of the tribe and its members under the laws of Nebraska.

**Taxation.**

SEC. 8. No property distributed under the provisions of this Act shall at the time of distribution be subject to any Federal or State income tax. Following any distribution of property made under the provisions of this Act, such property and income derived therefrom by the distributee shall be subject to the same taxes, State and Federal as in the case of non-Indians: *Provided*, That for the purpose of capital gains or losses the base value of the property shall be the value of the property when distributed to the grantee.

**Expenses.**

SEC. 9. Such amounts of tribal funds as may be needed to meet the expenses of the tribe under this Act, as approved by the Secretary of the Interior, shall be available for expenditure. There is authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated such sums as may be necessary to reimburse the tribe for

such expenditures, and carry out the responsibilities of the Secretary under the provisions of this Act.

SEC. 10. When the distribution of tribal assets in accordance with the provisions of this Act has been completed, the Secretary of the Interior shall publish in the Federal Register a proclamation declaring that the Federal trust relationship to such tribe and its members has terminated. Thereafter, the tribe and its members shall not be entitled to any of the special services performed by the United States for Indians or Indian tribes because of their Indian status, all statutes of the United States that affect Indians or Indian tribes because of their Indian status shall be inapplicable to them, and the laws of the several States shall apply to them in the same manner they apply to other persons or citizens within their jurisdiction. Nothing in this Act, however, shall affect the status of any Indian as a citizen of the United States.

Publication  
in F. R.

Approved September 5, 1962.

## Public Law 87-630

### AN ACT

To amend the Act of September 16, 1959 (73 Stat. 561; 43 U.S.C. 615s), relating to the construction, operation, and maintenance of the Spokane Valley project.

September 5, 1962  
[S. 2008]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of September 16, 1959 (73 Stat. 561, 43 U.S.C. 615s), be amended as follows:

Spokane Valley  
Federal reclama-  
tion project,  
Wash.-Idaho.

(a) By substituting in section 1 thereof the words "seven thousand two hundred and fifty" for the words "ten thousand three hundred" and by inserting the words "and for domestic, municipal, and industrial uses" after the words "the State of Idaho" in this same section.

(b) By amending section 2 to read as follows: "In constructing, operating, and maintaining the Spokane Valley project, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), except that (1) interest on the unpaid balance of the allocation to domestic, municipal, and industrial water supply shall be at a rate determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue; and (2) the remaining cost of the project beyond the amount to be reimbursed or returned by the water users shall be accounted for in the same manner as provided in item (c) of section 2 of the Act of July 27, 1954 (68 Stat. 568), and power and energy required for irrigation pumping for the Spokane Valley project shall be made available in the same manner as provided for therein. The amount to be repaid by the irrigators shall be collected by the contracting entity through annual assessments based upon combination turnout and acreage charges and through the use of such other methods as it and the Secretary may agree upon."

43 USC 371  
note.

(c) By deleting from section 3 thereof the figure "\$5,100,000" and inserting in lieu thereof the figure "\$7,232,000".

Approved September 5, 1962.

## Public Law 87-631

September 5, 1962  
[S. 3112]

## AN ACT

To add certain lands to the Pike National Forest in Colorado and the Carson National Forest and the Santa Fe National Forest in New Mexico, and for other purposes.

National For-  
ests.  
Land acquisi-  
tions.  
Pike National  
Forest, Colo.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the exterior boundaries of the Pike National Forest in Colorado are hereby extended to include the following described lands:

## SIXTH PRINCIPAL MERIDIAN

## TOWNSHIP 11 SOUTH, RANGE 69 WEST

Sections 1 to 4, inclusive;  
Sections 9 to 16, inclusive;  
Sections 21 to 27, inclusive;  
Sections 34 to 36, inclusive.

## TOWNSHIP 12 SOUTH, RANGE 69 WEST

Section 2, west half west half;  
Section 3, east half;  
Section 10, northeast quarter;  
Section 11, west half northwest quarter;  
Section 12, south half northwest quarter, west half southwest quarter;  
Section 13, west half northwest quarter, northwest quarter southwest quarter;  
Section 14, south half northeast quarter, southeast quarter northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter;  
Section 21, north half, southeast quarter;  
Section 22, north half, north half southwest quarter, southeast quarter;  
Section 23, southwest quarter southwest quarter;  
Section 26, northwest quarter northwest quarter;  
Section 27, west half southwest quarter;  
Section 28, north half, southeast quarter.

## TOWNSHIP 12 SOUTH, RANGE 70 WEST

Section 23, southeast quarter;  
Section 24, southwest quarter, northwest quarter southeast quarter, south half southeast quarter;  
Section 25, northeast quarter northeast quarter, west half northeast quarter, west half;  
Section 26, northeast quarter, north half southeast quarter.

Carson Nation-  
al Forest, N. Mex.

SEC. 2. The exterior boundaries of the Carson National Forest in New Mexico are hereby extended to include the following described lands:

## NEW MEXICO PRINCIPAL MERIDIAN

## TOWNSHIP 23 NORTH, RANGE 9 EAST

Sections 1 to 5, inclusive;  
Sections 9 to 12, inclusive.



## TOWNSHIP 24 NORTH, RANGE 9 EAST

Sections 1 to 4, inclusive;  
Sections 9 to 16, inclusive;  
Section 20, east half;  
Sections 21 to 29, inclusive;  
Sections 32 to 36, inclusive.

## TOWNSHIP 25 NORTH, RANGE 9 EAST

Section 1;  
Sections 33 to 36, inclusive.

## TOWNSHIP 26 NORTH, RANGE 9 EAST

Sections 25 and 36.

## TOWNSHIP 23 NORTH, RANGE 10 EAST

Section 3;  
Section 4, north half, northwest quarter southwest quarter, east half southeast quarter;  
Section 5, northeast quarter, northwest quarter southeast quarter;  
Section 6, north half, north half southwest quarter.

## TOWNSHIPS 24 AND 25 NORTH, RANGE 10 EAST

All.

## TOWNSHIP 26 NORTH, RANGE 10 EAST

All, except east half of sections 13 and 24.

## TOWNSHIP 27 NORTH, RANGE 10 EAST

Sections 31 to 36, inclusive.

## TOWNSHIP 24 NORTH, RANGE 11 EAST

Section 5, southwest quarter, south half northwest quarter, southwest quarter northeast quarter;  
Sections 6 to 8, inclusive;  
Sections 16 to 19, inclusive;  
Section 20, north half, southwest quarter, west half southeast quarter;  
Section 29, west half northwest quarter;  
Section 30;  
Section 31, north half.

## TOWNSHIP 25 NORTH, RANGE 11 EAST

Sections 5 to 9, inclusive;  
Section 16, north half, southwest quarter;  
Sections 17 to 19, inclusive;  
Section 20, north half, southwest quarter;  
Section 31, west half.

## TOWNSHIP 26 NORTH, RANGE 11 EAST

Section 6.

Also, that part of the Sebastian Martin grant, as described on survey plat approved December 17, 1892, and filed in volume 4, page 22, New Mexico land claim plat records of the Bureau of Land Management, lying east of the projection northward of the line between lot 4 of section 33 and lot 1 of section 34, fractional township 22 north, range

10 east, New Mexico principal meridian, as shown on public land survey plat of August 8, 1924.

Santa Fe National Forest, N. Mex.

SEC. 3. The exterior boundaries of the Santa Fe National Forest in New Mexico are hereby extended to include the following described lands:

(1) The Polvadera grants as described on plat of survey approved December 18, 1899; and that part of the Juan Jose Lobato grant, as described on plat of survey approved October 19, 1895, lying southerly of the Rio Chama River; excepting from the above areas the town of Abiquiu grant as described on plat of survey approved November 16, 1896, and also as shown on public land survey plat approved July 3, 1940; said grant plats being filed in volume 5, page 31, volume 4, page 12, and volume 8, page 6, respectively, of New Mexico private land claim plat records of the Bureau of Land Management.

(2) The Ojo de San Jose grant as described on plat of survey approved August 21, 1902, and filed in volume 5, page 14, New Mexico private land claim plat records of the Bureau of Land Management, excepting that triangular-shaped part in the north-west corner of said grant which overlaps the east boundary of the Canon de San Diego grant as shown on said plat of August 21, 1902.

(3) The Juan de Gabaldon grant, as described on plat of survey approved July 27, 1896, and filed in volume 2, page 10, New Mexico private land claim plat records of the Bureau of Land Management.

SEC. 4. Subject to any valid existing rights, all lands of the United States in areas described in sections 1, 2, and 3 hereof, administered by the Secretary of Agriculture under title III of the Bankhead-Jones Farm Tenant Act of July 22, 1937, as amended (7 U.S.C. 1010-1012), or used by the Secretary of Agriculture for research purposes, are hereby added to and made parts of the respective national forests.

Approved September 5, 1962.

50 Stat. 525.

## Public Law 87-632

September 5, 1962  
[S. 3574]

### AN ACT

To extend the International Wheat Agreement Act of 1949.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the International Wheat Agreement Act of 1949, as amended, is further amended as follows:

63 Stat. 945;  
73 Stat. 600.  
7 USC 1641.

(1) The first sentence is amended by striking out the language in the first parenthesis and all that follows in such sentence and inserting in lieu thereof the following: "signed by the United States and certain other countries revising and renewing such agreement of 1949 for periods through July 31, 1965 (hereinafter collectively called the 'International Wheat Agreement')".

(2) There is inserted immediately before the last sentence the following new sentence: "Such net costs in connection with the International Wheat Agreement, 1962, shall include those with respect to all transactions which qualify as commercial purchases (as defined in such agreement) from the United States by member and provisional member importing countries, including transactions entered into prior to the deposit of instruments of acceptance or accession by any of the countries involved, if the loading period is not earlier than the date the agreement enters into force."

TIAS 5115.

Approved September 5, 1962.

## Public Law 87-633

## AN ACT

September 5, 1962  
[S. 2399]

To provide for the establishment of the Frederick Douglass home as a part of the park system in the National Capital, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to designate, for preservation as a part of the park system in the National Capital, the former home of Frederick Douglass located at 1411 W Street Southeast, Washington, District of Columbia, and known as "Cedar Hill", to be described by metes and bounds, so as to exclude that part of the original fourteen acres which is presently leased to the Glen Garden as a housing development, together with such land, interests in land, and improvements thereon as he may deem necessary to accomplish the purposes of this Act: *Provided*, That the area so designated shall not exceed fourteen acres.

Frederick Douglass home.  
Establishment as part of National Capital park system.

SEC. 2. When the land, the Frederick Douglass home, and such objects therein of historical significance as the Secretary of the Interior may designate have been donated to the United States, establishment of the Frederick Douglass home as a part of the park system in the National Capital shall be effected by publication of notice in the Federal Register.

Publication in F. R.

SEC. 3. Upon the establishment of the Frederick Douglass home as a part of the park system in the National Capital, the home shall be administered by the Secretary of the Interior and shall be subject to the provisions of the Act entitled "An Act to establish a National Park Service and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act entitled "An Act to provide for the preservation of American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat. 666), as amended.

16 USC 1.

SEC. 4. There are authorized to be appropriated not more than \$25,000 for repairing and refurbishing Cedar Hill in order to accomplish the purposes of this Act.

16 USC 461.

Appropriation.

Approved September 5, 1962, 9:50 a. m.

## Public Law 87-634

## AN ACT

September 5, 1962  
[S. 3327]

To make eligible for assistance under the public facility loan program certain areas where research or development installations of the National Aeronautics and Space Administration are located.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (4) of section 202(b) of the Housing Amendments of 1955 is amended by inserting immediately after "Act" the following: "or in the case of a community in or near which is located a research or development installation of the National Aeronautics and Space Administration".

Federally affected areas.  
Assistance.  
75 Stat. 174.  
42 USC 1492.

Approved September 5, 1962.

## Public Law 87-635

September 5, 1962  
[S. 2973]

## AN ACT

To revise the boundaries of Capulin Mountain National Monument, New Mexico, to authorize acquisition of lands therein, and for other purposes.

Capulin Mountain National Monument, N. Mex.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to preserve the scenic and scientific integrity of the Capulin Mountain National Monument in the State of New Mexico, and to provide for the enjoyment thereof by the public, the boundaries of the monument are hereby revised to include the following additional lands:

## NEW MEXICO PRINCIPAL MERIDIAN

Township 29 north, range 28 east: section 5, north half northwest quarter southeast quarter, northeast quarter northeast quarter southwest quarter, southeast quarter northwest quarter, northeast quarter southwest quarter northwest quarter, south half southeast quarter northwest quarter northwest quarter, south half south half northeast quarter northwest quarter, containing approximately 95 acres.

SEC. 2. The Secretary of the Interior, in furtherance of the purposes of this Act, may acquire, in such manner and subject to such terms and conditions as he may deem to be in the public interest, lands and interests in lands within the area described in section 1 of this Act: *Provided*, That the Secretary of the Interior is not authorized hereby to pay any amount in excess of the fair market value of the lands acquired pursuant to the provisions of this Act. When acquired, such lands and interests in land shall be administered as a part of the Capulin Mountain National Monument in accordance with the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535), as amended and supplemented (16 U.S.C. 1 et seq.).

Appropriation.

SEC. 3. There are authorized to be appropriated such sums as necessary to carry out the acquisition of this land, provided that the cost of the acquisition of private land shall not exceed \$2,500.

Approved September 5, 1962.

## Public Law 87-636

September 5, 1962  
[H. R. 10263]

## AN ACT

To authorize the Secretary of the Air Force to adjust the legislative jurisdiction exercised by the United States over lands within Eglin Air Force Base, Florida.

Eglin Air Force Base, Fla.  
Relinquishment of jurisdiction.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, the Secretary of the Air Force may, at such times as he may deem desirable, relinquish to the State of Florida all, or such portion as he may deem desirable for relinquishment, of the jurisdiction heretofore acquired by the United States over any lands within Eglin Air Force Base, Florida, reserving to the United States such concurrent or partial jurisdiction as he may deem necessary. Relinquishment of jurisdiction under the authority of this Act may be made by filing with the Governor of the State of Florida a notice of such relinquishment, which shall take effect upon acceptance thereof by the State of Florida in such manner as its laws may prescribe.

Notice.

Approved September 5, 1962.

## Public Law 87-637

## AN ACT

September 5, 1962  
[H. R. 2446]

To provide that hydraulic brake fluid sold or shipped in commerce for use in motor vehicles shall meet certain specifications prescribed by the Secretary of Commerce.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That not later than 90 days after the date of the enactment of this Act the Secretary of Commerce shall prescribe and publish in the Federal Register specifications for hydraulic brake fluids for use in motor vehicles. The standards so published shall provide the public with safe and efficient hydraulic fluids for motor vehicle hydraulic braking systems in order to promote highway safety.

Hydraulic brake  
fluid.  
Standards.  
Publication in  
F. R.

SEC. 2. (a) The manufacture for sale, the sale, or the offering for sale, in commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported in, commerce, or for the purpose of sale, or delivery after sale, in commerce, of any such hydraulic brake fluid which does not meet the specifications prescribed by the Secretary of Commerce as set forth in the first section of this Act shall be unlawful.

(b) Whoever knowingly and willfully violates this section shall be fined not more than \$1,000, or imprisoned not more than one year or both.

Penalties.

SEC. 3. As used in this Act—

(1) The term "commerce" means (A) commerce between any place in a State, the District of Columbia, the Commonwealth of Puerto Rico, or a possession of the United States and any place outside thereof, and (B) commerce wholly within the District of Columbia or any such possession; and

Definitions.

(2) The term "motor vehicle" means any vehicle or machine propelled or drawn by mechanical power and used on the highways.

SEC. 4. This Act shall take effect on the date of its enactment except that section 2 shall take effect on such date as the Secretary of Commerce shall determine but such date shall be not more than ninety days after the date of publication of specifications first established under the first section of this Act. If such specifications first established are thereafter changed, such standards as so changed shall take effect on such date as the Secretary of Commerce shall determine but such date shall be not more than ninety days after the date of their publication in accordance with the provisions of the first section of this Act.

Effective date.

Approved September 5, 1962.

## Public Law 87-638

## AN ACT

September 5, 1962  
[H. R. 6984]

To provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That hereafter provision may be made in cost-type research and development contracts (including grants) with universities, colleges, or other educational institutions for payment of reimbursable indirect costs on the basis of predetermined fixed-percentage rates applied to the total, or an element thereof, of the reimbursable direct costs incurred.

Research and  
development.  
Indirect costs.

Approved September 5, 1962.

## Public Law 87-639

September 5, 1962  
[H. R. 3801]

## AN ACT

To authorize the Secretary of the Army and the Secretary of Agriculture to make joint investigations and surveys of watershed areas for flood prevention or the conservation, development, utilization, and disposal of water, and for flood control and allied purposes, and to prepare joint reports on such investigations and surveys for submission to the Congress, and for other purposes.

Flood prevention.  
Watershed areas,  
joint investigations  
and surveys.

Reports to Con-  
gress.

68 Stat. 666.  
16 USC 1001  
note.  
Appropriation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army and the Secretary of Agriculture, when authorized to do so by resolutions adopted by the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, are hereby authorized and directed to make joint investigations and surveys in accordance with their existing authorities of watershed areas in the United States, Puerto Rico, and the Virgin Islands, and to prepare joint reports on such investigations and surveys setting forth their recommendations for the installation of the works of improvement needed for flood prevention or the conservation, development, utilization, and disposal of water, and for flood control and allied purposes. Such joint reports shall be submitted to the Congress through the President for adoption and authorization by the Congress of the recommended works of improvement: *Provided*, That the project authorization procedure established by Public Law 566, Eighty-third Congress, as amended, shall not be affected.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended.

Approved September 5, 1962.

## Public Law 87-640

September 5, 1962  
[H. R. 11251]

## AN ACT

To authorize the Secretary of the Army to relinquish to the State of New Jersey jurisdiction over any lands within the Fort Hancock Military Reservation.

Fort Hancock  
Military Reserva-  
tion, N. J.  
Relinquishment  
of jurisdiction.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) notwithstanding any other provision of law, the Secretary of the Army may, at such times as he may deem desirable, relinquish to the State of New Jersey all, or any lesser measure he may deem desirable for relinquishment, of the jurisdiction heretofore acquired by the United States over any lands within the Fort Hancock Military Reservation, New Jersey.

Notice.

(b) Relinquishment of jurisdiction under the authority of this Act may be made by filing with the Governor of the State of New Jersey a notice of such relinquishment, which shall take effect upon acceptance thereof by the State of New Jersey in such manner as the laws of such State may prescribe.

Approved September 5, 1962.

## Public Law 87-641

## AN ACT

September 5, 1962  
[H. R. 12081]

To authorize the Secretary of the Army to convey certain land and easement interests at Hunter-Liggett Military Reservation for construction of the San Antonio Dam and Reservoir project in exchange for other property.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) in order to facilitate the construction of the San Antonio Dam and Reservoir project for flood control, water conservation, and public recreation the Secretary of the Army is authorized, upon such terms and conditions as he may deem to be in the public interest, to quitclaim to the Monterey County Flood Control and Water Conservation District of the State of California, a tract of fee-owned land in the eastern part of Hunter-Liggett Military Reservation adjacent to the San Antonio River, containing approximately eight thousand seven hundred and seventy-five acres, more or less, and to grant to the said district a flowage easement over approximately one thousand one hundred and thirty-five acres of land, more or less, and a road and highway bridge easement over sixty-five acres, more or less, of land in the vicinity. All mineral rights in the fee-owned land, and a right-of-way for road purposes in a location approved by the Secretary of the Army shall be reserved to the United States.

California.  
Hunter-Liggett  
Military Reserva-  
tion.  
Land conveyance.

(b) The conveyance authorized by this Act shall be in exchange for (1) the conveyance to the United States of an exclusive right-of-way for road purposes between Hunter-Liggett Military Reservation and Camp Roberts, California, as approved by the Secretary of the Army, the construction of a tank road and appurtenances in accordance with plans and specifications to be approved by the Secretary of the Army; and the relocation of existing Army facilities located in the areas to be conveyed under paragraph (a) hereof, by the Monterey County Flood Control and Water Conservation District; and (2) a sum of money representing, in the opinion of the Secretary of the Army, the amount by which the appraised market value of the property conveyed by the Secretary of the Army exceeds the appraised market value of the property accepted in exchange therefor. Any money received by the Secretary of the Army in connection with this exchange shall be covered into the Treasury as miscellaneous receipts.

Mineral reser-  
vation.

Conditions.

Approved September 5, 1962.

## Public Law 87-642

## AN ACT

September 5, 1962  
[H. R. 10825]

To repeal the Act of August 4, 1959 (73 Stat. 280).

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of August 4, 1959 (73 Stat. 280), which authorized and directed the Secretary of the Air Force to convey to the city of Warner Robins, Georgia, approximately twenty-nine acres of land comprising a part of Robins Air Force Base, including the improvements thereon, is hereby repealed.

Warner Robins,  
Ga.  
Land convey-  
ance, repeal.

Approved September 5, 1962.

## Public Law 87-643

September 5, 1962  
[H. R. 11310]

## AN ACT

To amend section 3515 of the Revised Statutes to eliminate tin in the alloy of the 1-cent piece.

Coins.  
Tin in 1-cent  
pieces, elimina-  
tion.

Uncirculated  
coins.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the third sentence of section 3515 of the Revised Statutes, as amended (31 U.S.C. 317), is amended to read as follows: "The alloy of the 1-cent piece shall be 95 per centum of copper and 5 per centum of zinc."

SEC. 2. The first and second sentences of section 3552 of the Revised Statutes, as amended (31 U.S.C. 369), are amended by striking out "medals and proof coins" and inserting "medals, proof coins, and uncirculated coins" in lieu thereof.

Approved September 5, 1962.

## Public Law 87-644

## AN ACT

September 7, 1962  
[H. R. 5604]

To amend the Acts of May 21, 1926, and January 25, 1927, relating to the construction of certain bridges across the Delaware River, so as to authorize the use of certain funds acquired by the owners of such bridges for purposes not directly related to the maintenance and operation of such bridges and their approaches.

Delaware River  
bridges.  
Use of certain  
funds by owners.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act granting the consent of Congress for the construction of a bridge across the Delaware River at or near Burlington, New Jersey", approved May 21, 1926 (44 Stat. 588), is amended by adding at the end thereof the following new section:

"SEC. 9. Nothing contained in this Act shall be construed to prohibit, or shall prohibit any public agency, which now or hereafter may own such bridge and its approaches, and which has paid the principal and interest on all its outstanding indebtedness and has on hand capital funds derived from sources other than toll revenues in excess of the amount determined by said public agencies, to be required for the maintenance, repair, operation, reconstruction, replacement and modernization and improvement of such bridge and its approaches, from paying such surplus, or any part thereof, to the county of Burlington, in the State of New Jersey, for its use in the acquisition, construction, improvement, or enlargement of said county's facilities, buildings, and roads."

SEC. 2. The Act entitled "An Act granting the consent of Congress to Tacony-Palmyra Bridge Company to construct, maintain, and operate a bridge across the Delaware River at Palmyra, New Jersey", approved January 25, 1927 (44 Stat. 1024), is amended by adding at the end thereof the following new section:

"SEC. 9. Nothing contained in this Act shall be construed to prohibit, or shall prohibit any public agency, which now or hereafter may own such bridge and its approaches, and which has paid the principal and interest on all its outstanding indebtedness and has on hand capital funds derived from sources other than toll revenues in excess of the amount determined by said public agencies, to be required for the maintenance, repair, operation, reconstruction, replacement and modernization and improvement of such bridge and its approaches, from paying such surplus, or any part thereof, to the county of Burlington, in the State of New Jersey, for its use in the acquisition, construction, improvement, or enlargement of said county's facilities, buildings, and roads."

Approved September 7, 1962.



## Public Law 87-645

## AN ACT

To amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes.

September 7, 1962  
[H. R. 10743]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 314 of title 38, United States Code, is amended—

(1) by striking out “\$19” in subsection (a) and inserting in lieu thereof “\$20”;

(2) by striking out “\$36” in subsection (b) and inserting in lieu thereof “\$38”;

(3) by striking out “\$55” in subsection (c) and inserting in lieu thereof “\$58”;

(4) by striking out “\$73” in subsection (d) and inserting in lieu thereof “\$77”;

(5) by striking out “\$100” in subsection (e) and inserting in lieu thereof “\$107”;

(6) by striking out “\$120” in subsection (f) and inserting in lieu thereof “\$128”;

(7) by striking out “\$140” in subsection (g) and inserting in lieu thereof “\$149”;

(8) by striking out “\$160” in subsection (h) and inserting in lieu thereof “\$170”;

(9) by striking out “\$179” in subsection (i) and inserting in lieu thereof “\$191”;

(10) by striking out “\$225” in subsection (j) and inserting in lieu thereof “\$250”;

(11) by striking out “\$450” in subsections (k), (o), and (p) and inserting in lieu thereof “\$525”;

(12) by striking out “\$309” in subsection (l) and inserting in lieu thereof “\$340”;

(13) by striking out “\$359” in subsection (m) and inserting in lieu thereof “\$390”;

(14) by striking out “\$401” in subsection (n) and inserting in lieu thereof “\$440”;

(15) by striking out “\$150” in subsection (r) and inserting in lieu thereof “\$200”; and

(16) by striking out “\$265” in subsection (s) and inserting in lieu thereof “\$290”.

(b) The Administrator may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation pursuant to chapter 11 of title 38, United States Code.

SEC. 2. (a) Subsection (r) of section 314 of title 38, United States Code, is further amended by striking out “for all periods during which he is not hospitalized at Government expense” and inserting in lieu thereof the following: “, subject to the limitations of section 3203(f) of this title.”

(b) Section 3203 of title 38, United States Code, is amended by adding at the end thereof the following:

“(f) Where any veteran in receipt of an aid and attendance allowance described in section 314(r) of this title is hospitalized at Government expense, such allowance shall be discontinued from the first day of the second calendar month which begins after the date of his admission for such hospitalization for so long as such hospitalization continues. In case a veteran covered by this subsection leaves a hos-

Veterans.  
Disability com-  
pensation, in-  
crease.  
72 Stat. 1120.

72 Stat. 936.

74 Stat. 528.

Rate adjust-  
ments.

72 Stat. 1263.  
38 USC prec.  
101 notes.

72 Stat. 936.

Hospitalized  
veterans.  
72 Stat. 1235;  
73 Stat. 435.

pital against medical advice and is thereafter readmitted to hospitalization, such allowance shall be discontinued from the date of such readmission for so long as such hospitalization continues.”

72 Stat. 1120;  
73 Stat. 418.

SEC. 3. Section 312(4) of title 38, United States Code, is amended by striking out “three” and inserting in lieu thereof “seven”.

Effective date.

SEC. 4. This Act shall take effect on the first day of the first calendar month which begins after the date of enactment of this Act, but no payments shall be made by reason of this Act for any period before such effective date. The increased rate of compensation payable to any veteran entitled thereto on such first day shall be further increased, for such month only, in an amount equal to three times the monthly increase provided for such veteran by the amendments made by this Act.

Approved September 7, 1962.

## Public Law 87-646

### AN ACT

September 7, 1962  
[H. R. 10432]

To amend title 39, United States Code, to codify certain recent public laws relating to the postal service and to improve the Code.

Postal Service.  
Title 39, U. S.  
Code, amendment.  
74 Stat. 578.  
Definitions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the definition of “revenue of the Department” contained in section 1 of title 39, United States Code, is amended by striking out the period at the end thereof and by inserting in lieu thereof a semicolon and the following:

“(v) commissions on toll telephones located in buildings under the custody of the Department;

“(vi) amounts collected from officers and employees of the Department on account of payments to them by courts of witness fees and allowances for expenses of travel and subsistence in cases in which they have been subpoenaed to testify in private litigation in their official capacities or to produce official records;

“(vii) money recovered or collected on account of loss of first-class domestic registered matter which is not restored to the original owners.”

Judicial Officer.

SEC. 2. (a) Chapter 3 of title 39, United States Code, is amended by inserting immediately following “§ 308. Chief Postal Inspector.” the following new section:

#### “§ 308a. Judicial Officer

“A Judicial Officer, appointed by the Postmaster General, shall perform such quasi-judicial duties as the Postmaster General may designate. He shall be the agency for the purposes of the requirements of the Administrative Procedure Act, as amended (chapter 19 of title 5), to the extent that functions are delegated to him by the Postmaster General.”

(b) The analysis of chapter 3, preceding section 301 of title 39, United States Code, is amended by inserting after

“308. Chief Postal Inspector.”

the following item:

“308a. Judicial Officer.”

60 Stat. 237.  
5 USC 1001  
note.

74 Stat. 600.

SEC. 2A. Subsection (a)(1) of section 2303 is amended by deleting “section 4167” in item (E) and inserting in lieu thereof “section 4168”.

SEC. 13. Section 4554 of title 39, United States Code, exclusive of the catch line, is amended to read as follows:

Educational  
materials, post-  
age rates.  
74 Stat. 675.

"(a) Except as provided in subsection (b) of this section, the regular third or fourth class postage rates, or the rate of 9 cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof, whichever is the lower rate, is the postage rate on—

"(1) books permanently bound for preservation, consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcement of books;

"(2) 16-millimeter films and 16-millimeter film catalogs except when sent to commercial theaters;

"(3) printed music, whether in bound form or in sheet form;

"(4) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answer, test scores, or identifying information recorded thereon in writing, or by mark;

"(5) sound recordings;

"(6) manuscripts for books, periodicals and music; and

"(7) printed educational reference charts, permanently processed for preservation.

"(b) (1) Matter designated in paragraph (2) of this subsection may be mailed at the regular third or fourth class postage rates, or at the rate of 4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof when loaned or exchanged (including cooperative processing by libraries) between—

"(A) schools, colleges, or universities;

"(B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members, readers or borrowers.

"(2) The materials mailable under the rates prescribed in paragraph (1) of this subsection are—

"(A) books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books;

"(B) printed music, whether in bound form or in sheet form;

"(C) bound volumes of academic theses in typewritten or other duplicated form;

"(D) periodicals, whether bound or unbound;

"(E) sound recordings; and

"(F) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

"(3) Before being entitled to the preferential rates under this subsection, the Postmaster General may require an organization or association to furnish satisfactory evidence to him that none of the net income inures to the benefit of any private stockholder or individual.

"(c) 16-millimeter films, filmstrips, transparencies for projection, slides, microfilms, sound recordings, scientific or mathematical kits, instruments or other devices, catalogs of such materials, and guides or scripts prepared solely for use with such materials may be mailed at the rates prescribed in subsection (b) (1) of this section when sent to or from the institutions, organizations or associations listed in (A) and (B) of subsection (b) (1).

"(d) The limit of weight on parcels mailed under this section is 70 pounds.

"(e) The postage rates prescribed in this section shall continue until otherwise provided by the Congress."

74 Stat. 674.

SEC. 14. Paragraph (5) of subsection (b) of section 4552 of title 39, United States Code, is amended by striking out "the Territory of Hawaii".

SEC. 15. Subsection (a) of section 4553 of title 39, United States Code, is amended by striking out "the Territory of Hawaii".

Certified mail.

SEC. 16. (a) Chapter 81 of title 39, United States Code, is amended by adding the following new section:

**"§ 5013. Return receipts for certified mail**

"The courts shall receive return receipts for the delivery of certified mail as prima facie evidence of delivery to the same extent as return receipts for registered mail."

(b) The analysis of chapter 81, preceding section 5001 of title 39, United States Code, is amended by adding the following item:

"5013. Return receipts for certified mail."

Mail transportation by railroad.

SEC. 17. Section 6202 of title 39, United States Code, exclusive of the catchline, is amended to read as follows:

"This chapter applies to mail transportation performed by a railroad by rail or combination of rail and vessel, or by motor vehicle as provided by section 6213 of this title."

SEC. 18. Subsection (c) of section 6303 of title 39, United States Code, is amended by striking out "the Territory of Hawaii and".

SEC. 19. Paragraph (1) of subsection (a) of section 6409 of title 39, United States Code, is amended by striking out "the Territory of Hawaii,".

SEC. 20. The schedule of laws repealed in section 12(c) of the Act of September 2, 1960, Public Law 86-682 (74 Stat. 709-730), is amended as follows: (1) in the "U.S. Code" title column corresponding to the Act of March 4, 1913, chapter 142, insert "31", and in the "U.S. Code" section of the same item, insert "57"; (2) in the "U.S. Code" section column corresponding to section 1 of the Act of April 9, 1958, Public Law 85-371, insert "272a"; and (3) in the "U.S. Code" section column corresponding to section 7 of the Act of April 9, 1958, insert "272a note".

Copyrights.  
65 Stat. 716.

SEC. 21. The first paragraph of section 8 of title 17, United States Code, as amended, is further amended to read as follows:

"No copyright shall subsist in the original text of any work which is in the public domain, or in any work which was published in this country or any foreign country prior to July 1, 1909, and has not been already copyrighted in the United States, or in any publication of the United States Government, or any reprint, in whole or in part, thereof, except that the Postmaster General may secure copyright on behalf of the United States in the whole or any part of the publications authorized by section 2506 of title 39."

74 Stat. 606.  
Effect of laws superseded.

SEC. 22. Orders, rules, and regulations in effect under provisions of law superseded or amended by this Act shall, to the extent they would have been authorized under this Act, remain in force and effect as the regulations and orders under the provisions of this Act and shall be administered and enforced under this Act as nearly as may be until specifically repealed, amended, or revised.

Effective date.

SEC. 23. (a) This Act shall become effective on November 1, 1962. Laws enacted after January 9, 1962, that are inconsistent with this Act shall supersede it to the extent of the inconsistency.

(b) The sections or parts thereof of the Statutes at Large enumerated in the following schedule are hereby repealed. Rights or liabilities existing on November 1, 1962, under the sections or parts thereof repealed are not affected by this repeal:

Repeals.

| Statutes at large |         |         |        |      | United States Code,<br>1952 edition |         |
|-------------------|---------|---------|--------|------|-------------------------------------|---------|
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| Statutes at large |             |         |        |                  | United States Code,<br>1952 edition |             |
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|                   | 86-673..... | -----   | 74     | 553              | 39                                  | 259b, 259c. |
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<sup>1</sup> Only subsec. (b) of sec. 2.

<sup>2</sup> Only subsecs. (b) and (c) of sec. 3.

<sup>3</sup> Only subsecs. (b), (c), and (d) of sec. 195.

Approved September 7, 1962.

## Public Law 87-647

### AN ACT

To authorize the Federal Power Commission to exempt small hydroelectric projects from certain of the licensing provisions of the Federal Power Act.

September 7, 1962  
[S. 1606]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsections (b), (e), and (i) of section 10 of the Federal Power Act, as amended (16 U.S.C. 803(b), 803(e), 803(i)), is amended by striking out the words "one hundred horsepower" in each such subsection and inserting in lieu thereof the words "two thousand horsepower".

Federal Power  
Commission.  
Hydroelectric  
projects, licens-  
ing.  
49 Stat. 842.

Approved September 7, 1962.

## Public Law 87-648

### AN ACT

To amend section 815 (article 15) of title 10, United States Code, relating to nonjudicial punishment, and for other purposes.

September 7, 1962  
[H. R. 11257]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 815 (article 15) of title 10, United States Code, is amended to read as follows:

Armed Forces.  
Nonjudicial  
punishment.  
70A Stat. 41.

**“§ 815. Art. 15. Commanding officer's nonjudicial punishment**

“(a) Under such regulations as the President may prescribe, and under such additional regulations as may be prescribed by the Secretary concerned, limitations may be placed on the powers granted by this article with respect to the kind and amount of punishment authorized, the categories of commanding officers and warrant officers exercising command authorized to exercise those powers, the applicability of this article to an accused who demands trial by court-martial, and the kinds of courts-martial to which the case may be referred upon such a demand. However, except in the case of a member attached to or embarked in a vessel, punishment may not be imposed upon any member of the armed forces under this article if the member has, before the imposition of such punishment, demanded trial by court-martial in lieu of such punishment. Under similar regulations, rules may be prescribed with respect to the suspension of punishments authorized hereunder. If authorized by regulations of the Secretary concerned, a commanding officer exercising general court-martial jurisdiction or an officer of general or flag rank in command may delegate his powers under this article to a principal assistant.

“(b) Subject to subsection (a) of this section, any commanding officer may, in addition to or in lieu of admonition or reprimand, impose one or more of the following disciplinary punishments for minor offenses without the intervention of a court-martial—

“(1) upon officers of his command—

“(A) restriction to certain specified limits, with or without suspension from duty, for not more than 30 consecutive days;

“(B) if imposed by an officer exercising general court-martial jurisdiction or an officer of general or flag rank in command—

“(i) arrest in quarters for not more than 30 consecutive days;

“(ii) forfeiture of not more than one-half of one month's pay per month for two months;

“(iii) restriction to certain specified limits, with or without suspension from duty, for not more than 60 consecutive days;

“(iv) detention of not more than one-half of one month's pay per month for three months;

“(2) upon other personnel of his command—

“(A) if imposed upon a person attached to or embarked in a vessel, confinement on bread and water or diminished rations for not more than three consecutive days;

“(B) correctional custody for not more than seven consecutive days;

“(C) forfeiture of not more than seven days' pay;

“(D) reduction to the next inferior pay grade, if the grade from which demoted is within the promotion authority of the officer imposing the reduction or any officer subordinate to the one who imposes the reduction;

“(E) extra duties, including fatigue or other duties, for not more than 14 consecutive days;

“(F) restriction to certain specified limits, with or without suspension from duty, for not more than 14 consecutive days;

“(G) detention of not more than 14 days’ pay;

“(H) if imposed by an officer of the grade of major or lieutenant commander, or above—

“(i) the punishment authorized under subsection (b) (2) (A);

“(ii) correctional custody for not more than 30 consecutive days;

“(iii) forfeiture of not more than one-half of one month’s pay per month for two months;

“(iv) reduction to the lowest or any intermediate pay grade, if the grade from which demoted is within the promotion authority of the officer imposing the reduction or any officer subordinate to the one who imposes the reduction, but an enlisted member in a pay grade above E-4 may not be reduced more than two pay grades;

“(v) extra duties, including fatigue or other duties, for not more than 45 consecutive days;

“(vi) restrictions to certain specified limits, with or without suspension from duty, for not more than 60 consecutive days;

“(vii) detention of not more than one-half of one month’s pay per month for three months.

Detention of pay shall be for a stated period of not more than one year but if the offender’s term of service expires earlier, the detention shall terminate upon that expiration. No two or more of the punishments of arrest in quarters, confinement on bread and water or diminished rations, correctional custody, extra duties, and restriction may be combined to run consecutively in the maximum amount imposable for each. Whenever any of those punishments are combined to run consecutively, there must be an apportionment. In addition, forfeiture of pay may not be combined with detention of pay without an apportionment. For the purposes of this subsection, ‘correctional custody’ is the physical restraint of a person during duty or nonduty hours and may include extra duties, fatigue duties, or hard labor. If practicable, correctional custody will not be served in immediate association with persons awaiting trial or held in confinement pursuant to trial by court-martial.

“(c) An officer in charge may impose upon enlisted members assigned to the unit of which he is in charge such of the punishments authorized under subsection (b) (2) (A)–(G) as the Secretary concerned may specifically prescribe by regulation.

“(d) The officer who imposes the punishment authorized in subsection (b), or his successor in command, may, at any time, suspend probationally any part or amount of the unexecuted punishment imposed and may suspend probationally a reduction in grade or a forfeiture imposed under subsection (b), whether or not executed. In addition, he may, at any time, remit or mitigate any part or amount of the unexecuted punishment imposed and may set aside in whole or in part the punishment, whether executed or unexecuted, and restore all rights, privileges, and property affected. He may also mitigate reduction in grade to forfeiture or detention of pay. When mitigating—

“(1) arrest in quarters to restriction;

“(2) confinement on bread and water or diminished rations to correctional custody;

“(3) correctional custody or confinement on bread and water or diminished rations to extra duties or restriction, or both; or

“(4) extra duties to restriction;

the mitigated punishment shall not be for a greater period than the punishment mitigated. When mitigating forfeiture of pay to detention of pay, the amount of the detention shall not be greater than the amount of the forfeiture. When mitigating reduction in grade to forfeiture or detention of pay, the amount of the forfeiture or detention shall not be greater than the amount that could have been imposed initially under this article by the officer who imposed the punishment mitigated.

“(e) A person punished under this article who considers his punishment unjust or disproportionate to the offense may, through the proper channel, appeal to the next superior authority. The appeal shall be promptly forwarded and decided, but the person punished may in the meantime be required to undergo the punishment adjudged. The superior authority may exercise the same powers with respect to the punishment imposed as may be exercised under subsection (d) by the officer who imposed the punishment. Before acting on an appeal from a punishment of—

“(1) arrest in quarters for more than seven days;

“(2) correctional custody for more than seven days;

“(3) forfeiture of more than seven days’ pay;

“(4) reduction of one or more pay grades from the fourth or a higher pay grade;

“(5) extra duties for more than 14 days;

“(6) restriction for more than 14 days; or

“(7) detention of more than 14 days’ pay;

the authority who is to act on the appeal shall refer the case to a judge advocate of the Army or Air Force, a law specialist of the Navy, or a law specialist or lawyer of the Marine Corps, Coast Guard, or Treasury Department for consideration and advice, and may so refer the case upon appeal from any punishment imposed under subsection (b).

“(f) The imposition and enforcement of disciplinary punishment under this article for any act or omission is not a bar to trial by court-martial for a serious crime or offense growing out of the same act or omission, and not properly punishable under this article; but the fact that a disciplinary punishment has been enforced may be shown by the accused upon trial, and when so shown shall be considered in determining the measure of punishment to be adjudged in the event of a finding of guilty.

“(g) The Secretary concerned may, by regulation, prescribe the form of records to be kept of proceedings under this article and may also prescribe that certain categories of those proceedings shall be in writing.”

Effective date.

SEC. 2. This Act becomes effective on the first day of the fifth month following the month in which it is enacted.

Approved September 7, 1962.



## Public Law 87-649

## AN ACT

To revise, codify, and enact title 37 of the United States Code, entitled "Pay and Allowances of the Uniformed Services".

September 7, 1962  
[H. R. 10431]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the laws relating to pay and allowances of the uniformed services of the United States are revised, codified, and enacted as title 37 of the United States Code, entitled "Pay and Allowances of the Uniformed Services", and may be cited as "37 U.S.C., §", as follows:

Pay and Allow-  
ances of the Uni-  
formed Services.  
Enactment as  
Title 37, U.S.  
Code.

## TITLE 37—PAY AND ALLOWANCES OF THE UNIFORMED SERVICES

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### Chapter 1—Definitions

Sec.

101. Definitions.

#### § 101. Definitions

In addition to the definitions in sections 1-5 of title 1, for the purposes of this title—

61 Stat. 633;  
62 Stat. 859.

(1) "United States", in a geographic sense, means the States and the District of Columbia;

(2) "possessions" includes the Canal Zone, Guam, American Samoa, and the guano islands;

(3) "uniformed services" means the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service;

(4) "armed forces" means the Army, Navy, Air Force, Marine Corps, and Coast Guard;

(5) "Secretary concerned" means—

(A) the Secretary of the Army, with respect to matters concerning the Army;

(B) the Secretary of the Navy, with respect to matters concerning the Navy, the Marine Corps, and the Coast Guard when it is operating as a service in the Navy;

(C) the Secretary of the Air Force, with respect to matters concerning the Air Force;

(D) the Secretary of the Treasury, with respect to matters concerning the Coast Guard when it is not operating as a service in the Navy;

(E) the Secretary of Commerce, with respect to matters concerning the Coast and Geodetic Survey; and

(F) the Secretary of Health, Education, and Welfare, with respect to matters concerning the Public Health Service;

(6) "National Guard" means the Army National Guard and the Air National Guard;

(7) "Army National Guard" means that part of the organized militia of the several States, Puerto Rico, the Canal Zone, and the District of Columbia, active and inactive, that—

(A) is a land force;

(B) is trained, and has its officers appointed, under the sixteenth clause of section 8, article I, of the Constitution;

(C) is organized, armed, and equipped wholly or partly at Federal expense; and

(D) is federally recognized;

(8) "Army National Guard of the United States" means the reserve component of the Army all of whose members are members of the Army National Guard;

(9) "Air National Guard" means that part of the organized militia of the several States, Puerto Rico, the Canal Zone, and the District of Columbia, active and inactive, that—

(A) is an air force;

(B) is trained, and has its officers appointed, under the sixteenth clause of section 8, article I, of the Constitution;

(C) is organized, armed, and equipped wholly or partly at Federal expense; and

(D) is federally recognized;

(10) "Air National Guard of the United States" means the reserve component of the Air Force all of whose members are members of the Air National Guard;

(11) "officer" means commissioned or warrant officer;

(12) "commissioned officer" includes a commissioned warrant officer;

(13) "warrant officer" means a person who holds a commission or warrant in a warrant officer grade;

(14) "enlisted member" means a person in an enlisted grade;

(15) "grade" means a step or degree, in a graduated scale of office or rank, that is established and designated as a grade by law or regulation;

(16) "rank" means the order of precedence among members of the uniformed services;

(17) "rating" means the name (such as "boatswain's mate") prescribed for members of a uniformed service in an occupational field; "rate" means the name (such as "chief boatswain's mate") prescribed for members in the same rating or other category who are in the same grade (such as chief petty officer or seaman apprentice);

(18) "active duty" means full-time duty in the active service of a uniformed service, and includes duty on the active list, full-time training duty, annual training duty, and attendance, while in the active service, at a school designated as a service school by law or by the Secretary concerned;

(19) "active duty for a period of more than 30 days" means active duty under a call or order that does not specify a period of 30 days or less;

(20) "active service" means service on active duty;

(21) "pay" includes basic pay, special pay, retainer pay, incentive pay, retired pay, and equivalent pay, but does not include allowances;

(22) "inactive-duty training" means—

(A) duty prescribed for members of a reserve component by the Secretary concerned under section 206 of this title or any other law; and

(B) special additional duties authorized for members of a reserve component by an authority designated by the

Secretary concerned and performed by them on a voluntary basis in connection with the prescribed training or maintenance activities of the units to which they are assigned; and includes those duties when performed by members of a reserve component in their status as members of the National Guard, but does not include work or study in connection with a correspondence course of a uniformed service;

(23) "member" means a person appointed or enlisted in, or conscripted into, a uniformed service; and

(24) "reserve component" means—

- (A) the Army National Guard of the United States;
- (B) the Army Reserve;
- (C) the Naval Reserve;
- (D) the Marine Corps Reserve;
- (E) the Air National Guard of the United States;
- (F) the Air Force Reserve;
- (G) the Coast Guard Reserve; or
- (H) the Reserve Corps of the Public Health Service.

### Chapter 3—Basic Pay

Sec.

201. Pay grades: assignment to; general rules.

202. Pay grades: assignment to; rear admirals of upper half; officers holding certain positions in the Navy.

203. Rates.

204. Entitlement.

205. Computation: service creditable.

206. Reserves; members of National Guard: inactive-duty training.

207. Band leaders.

208. Furlough pay: officers of Regular Navy or Regular Marine Corps.

209. Members of naval officer candidate programs.

#### § 201. Pay grades: assignment to; general rules

(a) For the purpose of computing their basic pay, commissioned officers of the uniformed services (other than commissioned warrant officers) are assigned by the grade or rank in which serving to the following pay grades:

| Pay grade | Army, Air Force, and Marine Corps | Navy, Coast Guard, and Coast and Geodetic Survey | Public Health Service  |
|-----------|-----------------------------------|--|--|
| O-10..... | General.....                      | Admiral.....                                     |  |
| O-9.....  | Lieutenant general..              | Vice admiral.....                                |  |
| O-8.....  | Major general.....                | Rear admiral (upper half)...                     | Surgeon General.<br>Deputy Surgeon General.<br>Assistant Surgeon General having rank of major general. |
| O-7.....  | Brigadier general....             | Rear admiral (lower half) and commodore.         | Assistant Surgeon General having rank of brigadier general.  |
| O-6.....  | Colonel.....                      | Captain.....                                     | Director grade.  |
| O-5.....  | Lieutenant colonel..              | Commander.....                                   | Senior grade.  |
| O-4.....  | Major.....                        | Lieutenant commander....                         | Full grade.  |
| O-3.....  | Captain.....                      | Lieutenant.....                                  | Senior assistant grade.  |
| O-2.....  | 1st lieutenant.....               | Lieutenant (junior grade)...                     | Assistant grade.   |
| O-1.....  | 2d lieutenant.....                | Ensign.....                                      | Junior assistant grade.  |

(b) A contract surgeon who is serving full time with a uniformed service is entitled to the basic pay of a commissioned officer in pay grade O-2 with two or less years of service computed under section 205 of this title.

(c) A cadet at the United States Military Academy, the United States Air Force Academy, or the Coast Guard Academy, or a midshipman at the United States Naval Academy, is entitled to monthly pay at the rate of 50 percent of the basic pay of a commissioned officer in pay grade O-1 with two or less years of service computed under section 205 of this title.

(d) For the purpose of computing their basic pay, warrant officers of the armed forces are assigned, by the warrant officer grade in which serving, to the following pay grades:

| Pay Grade | Warrant Officer Grade      |
|-----------|----------------------------|
| W-4-----  | Chief Warrant Officer, W-4 |
| W-3-----  | Chief Warrant Officer, W-3 |
| W-2-----  | Chief Warrant Officer, W-2 |
| W-1-----  | Warrant Officer, W-1       |

(e) An aviation cadet of the Navy, Air Force, or Marine Corps is entitled to monthly basic pay at the rate of 50 percent of the basic pay of a commissioned officer in pay grade O-1 with two or less years of service computed under section 205 of this title.

(f) Unless he is entitled to the basic pay of a higher pay grade, an aviation pilot of the Naval Reserve, Marine Corps Reserve, or Coast Guard Reserve is entitled to monthly basic pay at the rate prescribed for pay grade E-5.

(g) Except as provided by subsections (e) and (f) of this section, enlisted members of the uniformed services shall, for the purpose of computing their basic pay, be distributed by the Secretary concerned in the various enlisted pay grades set forth in section 203 of this title. However, except as provided by section 307 of this title, an enlisted member may not be placed in pay grade E-8 or E-9 until he has completed at least 8 years or 10 years, respectively, of enlisted service computed under section 205 of this title.

**§ 202. Pay grades: assignment to; rear admirals of upper half; officers holding certain positions in the Navy**

(a) An officer not restricted in the performance of duty on the active list in the line of the Navy serving in the grade of rear admiral is entitled to the basic pay of a rear admiral of the upper half from the date on which the number of officers not restricted in the performance of duty on the active list in the line of the Navy serving in the grade of rear admiral below him on the lineal list becomes equal to or greater than the number of such officers above him on the lineal list. For the purpose of determining the number of rear admirals of the upper half, an officer not restricted in the performance of duty on the active list in the line of the Navy serving in the grade of admiral or vice admiral is considered as having the grade and position on the lineal list he would have if he had not been appointed admiral or vice admiral.

(b) An officer restricted in the performance of duty on the active list in the line of the Navy serving in the grade of rear admiral is entitled to the basic pay of a rear admiral of the upper half from the date on which any officer below him on the lineal list becomes entitled to that pay under subsection (a) of this section.

(c) An officer on the active list of the Navy in a staff corps serving in the grade of rear admiral is entitled to the basic pay of a rear admiral of the upper half from the date on which his running mate becomes entitled to that pay under this section, but not before the date of the vacancy he was promoted to fill.

(d) A rear admiral of the Naval Reserve entitled to basic pay is entitled to the basic pay of a rear admiral of the upper half when any officer on the active list in the line of the Navy junior to him is in the upper half of the grade of rear admiral as determined under subsection (a) of this section.

(e) An officer of the Navy or the Coast Guard holding a permanent appointment in the grade of rear admiral on the retired list who is entitled to the basic pay of a rear admiral of the lower half and who, in time of war or national emergency, has served satisfactorily on

active duty for two years in that grade or in a higher grade is entitled when on active duty to the basic pay of a rear admiral of the upper half.

(f) Except for those whose basic pay is otherwise specifically authorized by law, the number of rear admirals on the active list of the Coast Guard entitled to the basic pay of a rear admiral of the upper half is one-half of the number of officers on the active list in that grade. If that division results in an odd number, the odd number shall be placed in the upper half. However, an officer who is entitled to the basic pay of a rear admiral of the upper half may not have his basic pay reduced solely because the number of rear admirals is reduced.

(g) Unless appointed to a higher grade under another provision of law, an officer of the Marine Corps, while serving as Judge Advocate General of the Navy or as Chief of the Bureau of Naval Weapons, is entitled to the basic pay of a major general.

(h) Unless appointed to a higher grade under another provision of law, an officer of the naval service who is serving in one of the following positions is entitled to the basic pay of a rear admiral of the upper half—

- (1) Director of Budget and Reports;
- (2) Chief of Naval Materiel;
- (3) Chief of a Bureau;
- (4) Chief of the Dental Division in the Bureau of Medicine and Surgery;
- (5) Chief of Chaplains;
- (6) Judge Advocate General of the Navy; or
- (7) Chief of Naval Research.

(i) An officer of the naval service who is serving in one of the following positions is entitled to the highest pay of his rank—

- (1) Assistant Director of Budget and Reports;
- (2) detailed to duty as a Deputy Chief of a Bureau;
- (3) detailed as Assistant Judge Advocate General of the Navy;
- (4) Assistant Chief of Naval Research; or
- (5) Assistant Commandant of the Marine Corps.

(j) An officer on the active list of the Navy in the grade of rear admiral who is serving as Deputy Comptroller of the Navy is entitled to the basic pay of a rear admiral of the upper half.

his last duty station, whether or not he actually performs the travel involved. If a member receives a payment under this subsection but dies before that payment would have been made but for this subsection, no part of that payment may be recovered by the United States.

(f) A cadet of the United States Military Academy or the United States Air Force Academy, or a midshipman of the United States Naval Academy, who, upon graduation from one of those academies, is appointed as a second lieutenant of the Army or the Air Force is entitled to the basic pay of pay grade O-1 beginning upon the date of his graduation.

(g) A member of the Army or the Air Force (other than of the Regular Army or the Regular Air Force) is entitled to the pay and allowances provided by law or regulation for a member of the Regular Army or the Regular Air Force, as the case may be, of corresponding grade and length of service, whenever—

72 Stat. 1438.

(1) he is called or ordered to active duty (other than for training under section 270(b) of title 10) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

(2) he is called or ordered to active duty, or to perform inactive-duty training, for any period of time, and is disabled in line of duty from injury while so employed.

(h) A member of the National Guard is entitled to the pay and allowances provided by law or regulation for a member of the Regular Army or the Regular Air Force, as the case may be, of corresponding grade and length of service, whenever he is called or ordered to perform training under section 502, 503, 504, or 505 of title 32—

70A Stat. 610.

(1) for a period of more than 30 days, and is disabled in line of duty from disease while so employed; or

(2) for any period of time, and is disabled in line of duty from injury while so employed.

(i) A member of the Naval Reserve, Fleet Reserve, Marine Corps Reserve, Fleet Marine Corps Reserve, or Coast Guard Reserve is entitled to the pay and allowances provided by law or regulation for a member of the Regular Navy, Regular Marine Corps, or Regular Coast Guard, as the case may be, of corresponding grade and length of service, under the same conditions as those described in clauses (1) and (2) of subsection (g) of this section.

#### **§ 205. Computation: service creditable**

(a) Subject to subsections (b)–(d) of this section, for the purpose of computing the basic pay of a member of a uniformed service, his years of service are computed by adding—

(1) all periods of active service as an officer, Army field clerk, flight officer, or enlisted member of a uniformed service;

(2) all periods during which he was enlisted or held an appointment as an officer, Army field clerk, or flight officer of—

(A) a regular component of a uniformed service;

(B) the Regular Army Reserve;

(C) the Organized Militia before July 1, 1916;

(D) the National Guard;

(E) the National Guard Reserve;

(F) a reserve component of a uniformed service;

(G) the Naval Militia;

(H) the National Naval Volunteers;

(I) the Naval Reserve Force;

(J) the Army without specification of component;

(K) the Air Force without specification of component;

- (L) the Marine Corps Reserve Force;
- (M) the Philippine Scouts; or
- (N) the Philippine Constabulary;
- (3) for a commissioned officer in service on June 30, 1922, all service that was then counted in computing longevity pay and all service as a contract surgeon serving full time;
- (4) all periods during which he held an appointment as a nurse, reserve nurse, or commissioned officer in the Army Nurse Corps as it existed at any time before April 16, 1947, the Navy Nurse Corps as it existed at any time before April 16, 1947, or the Public Health Service, or a reserve component of any of them;
- (5) all periods during which he was a deck officer or junior engineer in the Coast and Geodetic Survey;
- (6) all periods that, under law in effect on January 10, 1962, were authorized to be credited in computing basic pay;
- (7) for an officer of the Medical Corps or Dental Corps of the Army or Navy, an officer of the Air Force designated as a medical or dental officer, or an officer of the Public Health Service commissioned as a medical or dental officer—four years;
- (8) for a medical officer named in clause (7) who has completed one year of medical internship or the equivalent thereof—one year in addition to the four years prescribed by clause (7); and
- (9) all periods while—
  - (A) on a temporary disability retired list, honorary retired list, or a retired list of a uniformed service;
  - (B) entitled to retired pay, retirement pay, or retainer pay, from a uniformed service or the Veterans' Administration, as a member of the Fleet Reserve or the Fleet Marine Corps Reserve; or
  - (C) a member of the Honorary Reserve of the Officers' Reserve Corps or the Organized Reserve Corps.

Except for any period of active service described in clause (1) of this subsection and except as provided by section 1402(b)–(d) of title 10, a period of service described in clauses (2)–(9) of this subsection that is performed while on a retired list, in a retired status, or in the Fleet Reserve or Fleet Marine Corps Reserve, may not be included to increase retired pay, retirement pay, or retainer pay.

(b) A period of time may not be counted more than once under subsection (a) of this section. In addition, the amount of service authorized to be credited under clause (7) or (8) of subsection (a) of this section to an officer shall be reduced by the amount of any service otherwise creditable under that subsection that covers any part of his professional education or internship.

(c) Notwithstanding any other law, service credited under clause (7) or (8) of subsection (a) of this section may not—

- (1) be included in establishing eligibility for voluntary or involuntary retirement or separation from a uniformed service;
- (2) increase the retired or retirement pay of a person who became entitled to that pay before May 1, 1956; or
- (3) increase the retired pay of a person who is entitled to that pay under chapter 67 of title 10, after April 30, 1956, and who does not perform active duty after May 1, 1956.

(d) The periods of service authorized to be counted under subsection (a) of this section shall, under regulations prescribed by the Secretary concerned, include service performed by a member of a uniformed service before he became 18 years of age.

**§ 206. Reserves; members of National Guard: inactive-duty training**

(a) Under regulations prescribed by the Secretary concerned, and to the extent provided for by appropriations, a member of the National Guard or a member of a reserve component of a uniformed service who is not entitled to basic pay under section 204 of this title, is entitled to compensation, at the rate of 1/30 of the basic pay authorized for a member of a uniformed service of a corresponding grade entitled to basic pay, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty, or appropriate duties, as the Secretary may prescribe.

(b) The regulations prescribed under subsection (a) of this section for each uniformed service, the National Guard, and each of the classes of organization of the reserve components within each uniformed service, may be different. The Secretary concerned shall, for the National Guard and each of the classes of organization within each uniformed service, prescribe—

(1) minimum standards that must be met before an assembly for drill or other equivalent period of training, instruction, duty, or appropriate duties may be credited for pay purposes, and those standards may require the presence for duty of officers and enlisted members in numbers equal to or more than a minimum number or percentage of the unit strength for a specified period of time with participation in a prescribed kind of training;

(2) the maximum number of assemblies or periods of other equivalent training, instruction, duty, or appropriate duties, that may be counted for pay purposes in each fiscal year or in lesser periods of time; and

(3) the minimum number of assemblies or periods of other equivalent training, instruction, duty, or appropriate duties that must be completed in stated periods of time before the members of units or organizations can qualify for pay.

(c) A person enlisted in the inactive National Guard is not entitled to pay under this section.

(d) This section does not authorize compensation for work or study performed by a member of a reserve component in connection with correspondence courses of an armed force.

**§ 207. Band leaders**

(a) The leader of the Army Band is entitled to the basic pay of a captain in the Army.

(b) The director of music at the United States Military Academy is entitled to the basic pay of a commissioned officer whose grade corresponds to the rank prescribed for the director by the Secretary of the Army.

(c) The leader of the United States Navy Band is entitled to the basic pay of a lieutenant in the Navy.

(d) A member of the Marine Corps who is appointed as director or assistant director of the United States Marine Band under section 6222 of title 10 is entitled, while serving thereunder, only to the basic pay of an officer in the grade in which he is serving. However, his basic pay may not be less than that to which he was entitled at the time of his appointment under that section.

(e) The leader of the Naval Academy Band is entitled to the basic pay of the grade the Secretary of the Navy prescribes. The second leader is entitled to the basic pay of a warrant officer, W-1.



### § 208. Furlough pay: officers of Regular Navy or Regular Marine Corps

An officer who is furloughed under section 6406 of title 10 is entitled to pay at the rate of one-half of the basic pay to which he was entitled at the time of being furloughed.

70A Stat. 415.

### § 209. Members of naval officer candidate programs

(a) Except when on active duty, a midshipman appointed under section 6904 of title 10 is entitled to retainer pay at the rate of \$50 a month beginning on the day that he starts his first term of college work under that section and ending upon the completion of his instruction under that section, but not for more than four academic years.

(b) Except when on active duty, a seaman recruit enlisted under section 6905 of title 10 is entitled to retainer pay at the rate of \$50 a month beginning on the day he starts his first term of college work under that section and ending when his instruction under that section is completed.

(c) While in flight training or on flight duty, a midshipman appointed under section 6906 of title 10 is entitled to the pay provided for a midshipman at the Naval Academy and to an additional amount equal to 50 percent of his pay for duty involving flying.

## Chapter 5—Special and Incentive Pays

Sec.

- 301. Incentive pay: hazardous duty.
- 302. Special pay: physicians and dentists.
- 303. Special pay: veterinarians.
- 304. Special pay: diving duty.
- 305. Special pay: sea and foreign duty.
- 306. Special pay: officers holding positions of unusual responsibility and of critical nature.
- 307. Special pay: proficiency pay for enlisted members.
- 308. Special pay: reenlistment bonus.
- 309. Reserves; members of National Guard: additional pay for performance of administrative duty.

### § 301. Incentive pay: hazardous duty

(a) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to incentive pay, in the amount set forth in subsection (b) or (c) of this section, for the performance of hazardous duty required by orders. For the purposes of this subsection, "hazardous duty" means duty—

(1) as a crew member, as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;

(2) on board a submarine, including, in the case of nuclear-powered submarines, periods of training and rehabilitation after assignment thereto as determined by the Secretary concerned, and including submarines under construction from the time builders' trials begin;

(3) as an operator or crew member of an operational, self-propelled submersible, including undersea exploration and research vehicles;

(4) involving frequent and regular participation in aerial flight, not as a crew member under clause (1) of this subsection;

(5) involving frequent and regular participation in glider flights;

(6) involving parachute jumping as an essential part of military duty;

(7) involving intimate contact with persons afflicted with leprosy;

- (8) involving the demolition of explosives as a primary duty, including training for that duty;
- (9) as a low-pressure chamber inside observer;
- (10) as a human acceleration or deceleration experimental subject; or
- (11) as a human test subject in thermal stress experiments.
- (b) For the performance of the hazardous duty described in clause (1), (2), or (3) of subsection (a) of this section, a member is entitled to monthly incentive pay as follows:

## Commissioned officers

| Pay grade | Years of service computed under section 205 |        |        |        |        |        |         |
|-----------|---|--------|--------|--------|--------|--------|---------|
|           | 2 or less                                   | Over 2 | Over 3 | Over 4 | Over 6 | Over 8 | Over 10 |
| O-10..... | \$165                                       | \$165  | \$165  | \$165  | \$165  | \$165  | \$165   |
| O-9.....  | 165   | 165    | 165    | 165    | 165    | 165    | 165     |
| O-8.....  | 155   | 155    | 165    | 165    | 165    | 165    | 165     |
| O-7.....  | 150   | 150    | 160    | 160    | 160    | 160    | 160     |
| O-6.....  | 200   | 200    | 215    | 215    | 215    | 215    | 215     |
| O-5.....  | 190   | 190    | 205    | 205    | 205    | 205    | 205     |
| O-4.....  | 170   | 170    | 185    | 185    | 185    | 195    | 210     |
| O-3.....  | 145   | 145    | 155    | 165    | 180    | 185    | 190     |
| O-2.....  | 115   | 125    | 160    | 150    | 160    | 165    | 170     |
| O-1.....  | 100   | 105    | 135    | 135    | 140    | 145    | 155     |

| Pay grade | Years of service computed under section 205 |         |         |         |         |         |         |
|-----------|---|---------|---------|---------|---------|---------|---------|
|           | Over 12                                     | Over 14 | Over 16 | Over 18 | Over 22 | Over 26 | Over 30 |
| O-10..... | \$165                                       | \$165   | \$165   | \$165   | \$165   | \$165   | \$165   |
| O-9.....  | 165   | 165     | 165     | 165     | 165     | 165     | 165     |
| O-8.....  | 165   | 165     | 165     | 165     | 165     | 165     | 165     |
| O-7.....  | 160   | 160     | 160     | 160     | 160     | 160     | 160     |
| O-6.....  | 215   | 215     | 220     | 245     | 245     | 245     | 245     |
| O-5.....  | 210   | 225     | 230     | 245     | 245     | 245     | 245     |
| O-4.....  | 215   | 220     | 230     | 240     | 240     | 240     | 240     |
| O-3.....  | 200   | 205     | 205     | 205     | 205     | 205     | 205     |
| O-2.....  | 180   | 185     | 185     | 185     | 185     | 185     | 185     |
| O-1.....  | 160   | 170     | 170     | 170     | 170     | 170     | 170     |

## Warrant officers

| Pay grade | Years of service computed under section 205 |        |        |        |        |        |         |
|-----------|---|--------|--------|--------|--------|--------|---------|
|           | 2 or less                                   | Over 2 | Over 3 | Over 4 | Over 6 | Over 8 | Over 10 |
| W-4.....  | \$115                                       | \$115  | \$115  | \$115  | \$120  | \$125  | \$135   |
| W-3.....  | 110   | 115    | 115    | 115    | 120    | 120    | 125     |
| W-2.....  | 105   | 110    | 110    | 110    | 115    | 120    | 125     |
| W-1.....  | 100   | 105    | 105    | 105    | 110    | 120    | 125     |

| Pay grade | Years of service computed under section 205 |         |         |         |         |         |         |
|-----------|---|---------|---------|---------|---------|---------|---------|
|           | Over 12                                     | Over 14 | Over 16 | Over 18 | Over 22 | Over 26 | Over 30 |
| W-4.....  | \$145                                       | \$155   | \$160   | \$165   | \$165   | \$165   | \$165   |
| W-3.....  | 135   | 140     | 140     | 140     | 140     | 140     | 140     |
| W-2.....  | 130   | 135     | 135     | 135     | 135     | 135     | 135     |
| W-1.....  | 130   | 130     | 130     | 130     | 130     | 130     | 130     |

## Enlisted members

| Pay grade            | Years of service computed under section 205 |        |        |        |        |        |         |
|----------------------|---|--------|--------|--------|--------|--------|---------|
|                      | 2 or less                                   | Over 2 | Over 3 | Over 4 | Over 6 | Over 8 | Over 10 |
| E-9                  | \$105                                       | \$105  | \$105  | \$105  | \$105  | \$105  | \$105   |
| E-8                  | 105   | 105    | 105    | 105    | 105    | 105    | 105     |
| E-7                  | 80  | 85     | 85     | 85     | 90     | 95     | 100     |
| E-6                  | 70  | 75     | 75     | 80     | 85     | 90     | 95      |
| E-5                  | 60  | 70     | 70     | 80     | 80     | 85     | 90      |
| E-4                  | 55  | 65     | 65     | 70     | 75     | 80     | 80      |
| E-3                  | 55  | 60     | 60     | 60     | 60     | 60     | 60      |
| E-2                  | 50  | 60     | 60     | 60     | 60     | 60     | 60      |
| E-1                  | 50  | 55     | 55     | 55     | 55     | 55     | 55      |
| E-1 (under 4 months) | 50  |        |        |        |        |        |         |
| Aviation cadets      | 50  |        |        |        |        |        |         |

| Pay grade | Years of service computed under section 205 |         |         |         |         |         |         |
|-----------|---|---------|---------|---------|---------|---------|---------|
|           | Over 12                                     | Over 14 | Over 16 | Over 18 | Over 22 | Over 26 | Over 30 |
| E-9       | \$105                                       | \$105   | \$105   | \$105   | \$105   | \$105   | \$105   |
| E-8       | 105   | 105     | 105     | 105     | 105     | 105     | 105     |
| E-7       | 105   | 105     | 105     | 105     | 105     | 105     | 105     |
| E-6       | 95  | 100     | 100     | 100     | 100     | 100     | 100     |
| E-5       | 95  | 95      | 95      | 95      | 95      | 95      | 95      |
| E-4       | 80  | 80      | 80      | 80      | 80      | 80      | 80      |
| E-3       | 60  | 60      | 60      | 60      | 60      | 60      | 60      |
| E-2       | 60  | 60      | 60      | 60      | 60      | 60      | 60      |
| E-1       | 55  | 55      | 55      | 55      | 55      | 55      | 55      |

(c) For the performance of the hazardous duty described in clause (4), (5), (6), (7), (8), (9), (10), or (11) of subsection (a) of this section, an officer is entitled to \$110 a month and an enlisted member is entitled to \$55 a month.

(d) In time of war, the President may suspend the payment of incentive pay for any hazardous duty described in subsection (a) of this section.

(e) A member is entitled to only one payment of incentive pay, authorized by this section, for a period of time during which he qualifies for more than one payment of that pay.

(f) Under regulations prescribed by the President and to the extent provided for by appropriations, when a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, performs, under orders, any duty described in subsection (a)(1)-(11) of this section for members entitled to basic pay, he is entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) or (c) of this section, as the case may be, for the performance of that hazardous duty by a member of a corresponding grade who is entitled to basic pay. He is entitled to the increase for as long as he is qualified for it, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty, or appropriate duties, as the Secretary may prescribe under section 206(a) of this title. This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.

(g) The Secretary of each military department shall report to Congress before January 2 each year the number of officers of the Army, Navy, or Air Force, as the case may be, above the grade of major or lieutenant commander, by grade and age group, who are entitled to incentive pay under subsection (a)(1) of this section, and the average monthly incentive pay authorized by that section for those officers during the six-month period preceding the date of the report.

### § 302. Special pay: physicians and dentists

(a) In addition to any other basic pay, special pay, incentive pay, or allowances to which he is entitled, each of the following officers is entitled to special pay at the rates set forth in subsection (b) of this section:

(1) a commissioned officer—

(A) of the Regular Army or the Regular Navy who is in the Medical or Dental Corps of the Army or the Navy, as the case may be;

(B) of the Regular Air Force who is designated as a medical or dental officer of the Air Force; or

(C) who is a medical or dental officer of the Regular Corps of the Public Health Service;

who was on active duty on September 1, 1947; who retired before that date and was ordered to active duty after that date and before July 1, 1963; or who was appointed or designated as such an officer after September 1, 1947, and before July 1, 1963;

(2) a commissioned officer—

(A) of a reserve component of the Army or Navy who is in the Medical or Dental Corps of the Army or the Navy, as the case may be;

(B) of a reserve component of the Air Force, of the Army or the Air Force without specification of component, or of the National Guard, who is designated as a medical or dental officer of the Army or the Air Force, as the case may be; or

(C) who is a medical or dental officer of the Reserve Corps of the Public Health Service;

who, after September 1, 1947, and before July 1, 1963, was ordered to active duty for a period of at least one year; and

(3) a general officer of the Army or the Air Force appointed, from any of the categories named in clause (1) or (2), in the Army, the Air Force, or the National Guard, as the case may be, who was on active duty on September 1, 1947; who was retired before that date and was ordered to active duty after that date and before July 1, 1963; or who, after September 1, 1947, was appointed from any of those categories.

However, an officer is not entitled to the special pay provided by this section while he is serving as a medical or dental intern.

(b) The amount of special pay to which an officer covered by subsection (a) of this section is entitled is—

(1) \$100 a month for each month of active duty if he has not completed two years of active duty in a category named in that subsection;

(2) \$150 a month for each month of active duty if he has completed at least two years of active duty in a category named in that subsection;

(3) \$200 a month for each month of active duty if he has completed at least six years of active duty in a category named in that subsection; and

(4) \$250 a month for each month of active duty if he has completed at least 10 years of active duty in a category named in that subsection.

(c) The amounts set forth in subsection (b) of this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.

**§ 303. Special pay: veterinarians**

(a) In addition to any other basic pay, special pay, incentive pay, or allowances to which he is entitled, each of the following officers is entitled to special pay at the rate of \$100 a month for each month of active duty:

(1) a commissioned officer—

(A) of the Regular Army who is in the Veterinary Corps;

(B) of the Regular Air Force who is designated as a veterinary officer; or

(C) who is a veterinary officer of the Regular Corps of the Public Health Service;

who was on active duty on June 29, 1953; who retired before that date and was ordered to active duty after that date and before July 1, 1963; or who was appointed or designated as such an officer after June 29, 1953, and before July 1, 1963;

(2) a commissioned officer—

(A) of a reserve component of the Army who is in the Veterinary Corps of the Army;

(B) of a reserve component of the Air Force, of the Army or the Air Force without specification of component, or of the National Guard, who is designated as a veterinary officer of the Army or the Air Force, as the case may be; or

(C) who is a veterinary officer of the Reserve Corps of the Public Health Service;

who was on active duty on June 29, 1953, as a result of a call or order to active duty for a period of at least one year; or who, after that date and before July 1, 1963, was called or ordered to active duty for such a period; and

(3) a general officer of the Army or the Air Force appointed, from any of the categories named in clause (1) or (2) of this subsection, in the Army, the Air Force, or the National Guard, as the case may be, who was on active duty on June 29, 1953; who was retired before that date and was ordered to active duty after that date and before July 1, 1963; or who after June 29, 1953, was appointed from one of those categories.

(b) The amount set forth in subsection (a) of this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.

**§ 304. Special pay: diving duty**

(a) Under regulations prescribed by the Secretary concerned, a member of a uniformed service who is entitled to basic pay and who is assigned by orders to the duty of diving is also entitled to special pay at a rate not more than \$110 a month for periods during which diving duty is actually performed. A member may not be paid special pay under this subsection in addition to incentive pay authorized under section 301 of this title.

(b) In time of war, the President may suspend the payment of diving-duty pay.

**§ 305. Special pay: sea and foreign duty**

(a) Except as provided by subsection (b) of this section, under regulations prescribed by the President, an enlisted member of a uniformed service who is entitled to basic pay is also, while on sea

**§ 307. Special pay: proficiency pay for enlisted members**

(a) An enlisted member of a uniformed service who is entitled to basic pay and is designated as being specially proficient in a military skill of the uniformed service concerned may—

(1) be advanced to an enlisted pay grade that is higher than his pay grade at the time of his designation and be entitled to the basic pay and special or incentive pay of that higher grade; or

(2) in addition to other pay or allowances to which he is entitled under this title, be paid proficiency pay at a monthly rate that is not more than the rate prescribed in the following table for the proficiency rating to which he is assigned:

| Proficiency rating | Maximum monthly rate |
|--------------------|----------------------|
| P-1.....           | \$50                 |
| P-2.....           | 100                  |
| P-3.....           | 150                  |

(b) An enlisted member who has less than 8 or 10 years, as the case may be, of enlisted service computed under section 205 of this title and who is advanced under subsection (a)(1) of this section to pay grade E-8 or E-9, respectively, is entitled to the minimum amount of basic pay and special or incentive pay prescribed for that pay grade until his years of service computed under that section entitle him to a higher rate of those pays.

(c) The Secretary concerned shall determine whether enlisted members of a uniformed service under his jurisdiction are to be paid proficiency pay either under subsection (a)(1) or (a)(2) of this section. However, he may elect only one of these methods for each uniformed service under his jurisdiction. If he elects to have proficiency pay paid under subsection (a)(1) of this section, enlisted members in a military grade or rank assigned to pay grade E-8 or E-9 may be paid proficiency pay at a monthly rate that is not more than the highest rate prescribed by subsection (a)(2) of this section. If he elects to have proficiency pay paid under subsection (a)(2) of this section, he shall prescribe, within the limitations set forth in that subsection, the pay for each proficiency rating prescribed therein. He shall also designate, from time to time, those skills within each uniformed service under his jurisdiction for which proficiency pay is authorized, and shall prescribe the criteria under which members of that uniformed service are eligible for a proficiency rating in each skill. He may, when he considers it necessary, increase, decrease, or abolish proficiency pay for any skill.

(d) This section shall be administered under regulations prescribed by the Secretary of Defense for the uniformed services under his jurisdiction, and by the Secretary of the Treasury for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

**§ 308. Special pay: reenlistment bonus**

(a) Subject to subsections (b) and (c) of this section, a member of a uniformed service who reenlists in a regular component of the service concerned within three months after the date of his discharge or release from compulsory or voluntary active duty (other than for training), or who voluntarily extends his enlistment for at least two years, and

the faithful performance of those functions, in addition to pay to which he is entitled under section 206 of this title.

(b) For the purpose of determining the amounts to be paid to officers performing the functions described in subsection (a) of this section, the Secretary concerned may, from time to time, divide those officers into classes and fix the amount payable to officers in each class.

(c) This section does not apply to an officer who is entitled to basic pay under section 204 of this title.

## Chapter 7—Allowances

Sec.

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### § 401. Definitions

In this chapter, "dependent", with respect to a member of a uniformed service, means—

- (1) his spouse;
- (2) his unmarried legitimate child (including a stepchild, or an adopted child, who is in fact dependent on the member) who either—

- (A) is under 21 years of age; or

- (B) is incapable of self-support because of a mental or physical incapacity, and in fact dependent on the member for over one-half of his support; and

- (3) his parent (including a stepparent or parent by adoption, and any person, including a former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least five years before he became 21 years of age) who is in fact dependent on the member for over one-half of his support and actually resides in the member's household.

However, a person is not a dependent of a female member unless he is in fact dependent on her for over one-half of his support. For the purposes of this section, the relationship between a stepparent and his stepchild is terminated by the stepparent's divorce from the parent by blood.

**§ 402. Basic allowance for subsistence**

(a) Except as otherwise provided by this section or by another law, each member of a uniformed service who is entitled to basic pay is entitled to a basic allowance for subsistence in the amount set forth in subsection (d) of this section.

(b) An enlisted member is entitled to the basic allowance for subsistence, on a daily basis, of one of the following types—

- (1) when rations in kind are not available;
- (2) when permission to mess separately is granted; and
- (3) when assigned to duty under emergency conditions where no messing facilities of the United States are available.

The allowance to an enlisted member, when authorized, may be paid in advance for a period of not more than three months. An enlisted member is entitled to the allowance while on an authorized leave of absence or while confined in a hospital, but not while being subsisted at the expense of the United States. The allowance for enlisted members who are on leave, or are otherwise authorized to mess separately, shall be equal to the cost of the ration as determined by the Secretary of Defense. Unless he is entitled to basic pay under chapter 3 of this title, an enlisted member of a reserve component of a uniformed service, or of the National Guard, is entitled, in the discretion of the Secretary concerned, to rations in kind, or a part thereof, when the instruction or duty periods, described in section 206 (a) of this title, total at least eight hours in a calendar day.

(c) An officer of a uniformed service who is entitled to basic pay is, at all times, entitled to the basic allowances for subsistence on a monthly basis. An aviation cadet of the Navy, Air Force, or Marine Corps is entitled to the same basic allowance for subsistence as is provided for an officer of the Navy, Air Force, or Marine Corps, respectively.

(d) The basic allowance for subsistence for members of the uniformed services is as follows:

|   |                             |
|---|-----------------------------|
| Officers-----   | \$47.88 a month.            |
| Enlisted members when rations in kind are not available.  | \$2.565 a day.              |
| Enlisted members when assigned to duty under emergency conditions where no messing facilities of the United States are available. | Not more than \$3.42 a day. |

(e) Under regulations and in areas prescribed by the Secretary of Defense, an enlisted member who is granted permission to mess separately, and whose duties require him to buy at least one meal from other than a messing facility of the United States, is entitled to not more than the pro rata allowance authorized for each such meal for an enlisted member when rations in kind are not available.

(f) The President may prescribe regulations for the administration of this section.

**§ 403. Basic allowance for quarters**

(a) Except as otherwise provided by this section or by another law, a member of a uniformed service who is entitled to basic pay is entitled to a basic allowance for quarters at the following



**§ 404. Travel and transportation allowances: general**

(a) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service is entitled to travel and transportation allowances for travel performed or to be performed under orders, without regard to the comparative costs of the various modes of transportation—

(1) upon a change of permanent station, or otherwise, or when away from his designated post of duty regardless of the length of time he is away from that post;

(2) upon appointment, call to active duty, enlistment, or induction, from his home or from the place from which called or ordered to active duty to his first station; and

(3) upon separation from the service, placement on the temporary disability retired list, release from active duty, or retirement, from his last duty station to his home or the place from which he was called or ordered to active duty, whether or not he is or will be a member of a uniformed service at the time the travel is or will be performed.

(b) The Secretaries concerned may prescribe—

(1) the conditions under which travel and transportation allowances are authorized, including advance payments thereof; and

(2) the allowances for the kinds of travel, but not more than the amounts authorized in this section.

(c) Under uniform regulations prescribed by the Secretaries concerned, a member who—

(1) is retired, or is placed on the temporary disability retired list, under chapter 61 of title 10; or

(2) is retired with pay under any other law, or, immediately following at least eight years of continuous active duty with no single break therein of more than 90 days, is discharged with severance pay or is involuntarily released from active duty with readjustment pay;

may select his home for the purposes of the travel and transportation allowances authorized by subsection (a) of this section.

(d) The travel and transportation allowances authorized for each kind of travel may not be more than one of the following—

(1) transportation in kind, reimbursement therefor, or a monetary allowance in place of the cost of transportation at a rate that is not more than 7 cents a mile based on distances established, over the shortest usually traveled route, under mileage tables prepared by the Chief of Finance of the Army under the direction of the Secretary of the Army;

(2) transportation in kind, reimbursement therefor, or a monetary allowance as provided by clause (1) of this section, plus a per diem in place of subsistence of not more than \$12 a day; or

(3) a mileage allowance of not more than 10 cents a mile based on distances established under clause (1) of this section.

(e) A member who is on duty with, or is undergoing training for, the Military Air Transport Service, the Marine Corps Transport Squadrons, the Fleet Tactical Support Squadrons, or the Naval Aircraft Ferrying Squadrons, and who is away from his permanent station, may be paid a per diem in lieu of subsistence in an amount not more than the amount to which he would be entitled if he were performing travel in connection with temporary duty without, in either case, the issuance of orders for specific travel.

(f) The travel and transportation allowances authorized under this section may be paid on the member's separation from the service or release from active duty, whether or not he performs the travel involved.

**§ 405. Travel and transportation allowances: per diem while on duty outside United States or in Hawaii or Alaska**

Without regard to the monetary limitations of this title, the Secretaries concerned may authorize the payment of a per diem, considering all elements of the cost of living to members of the uniformed services under their jurisdiction and their dependents, including a cost of quarters, subsistence, and other necessary incidental expenses, to such a member who is on duty outside of the United States or in Hawaii or Alaska, whether or not he is in a travel status. However, dependents may not be considered in determining the per diem allowance for a member in a travel status.

**§ 406. Travel and transportation allowances: dependents; baggage and household effects**

(a) A member of a uniformed service who is ordered to make a change of permanent station is entitled to transportation in kind for his dependents, to reimbursement therefor, or to a monetary allowance in place of that transportation in kind at a rate to be prescribed, but not more than the rate authorized under section 404(d) of this title.

(b) In connection with a temporary or permanent change of station, a member is entitled to transportation (including packing, crating, drayage, temporary storage, and unpacking) of baggage and household effects, or reimbursement therefor, within such weight allowances prescribed by the Secretaries concerned, without regard to the comparative costs of the various modes of transportation.

(c) The allowances and transportation authorized by subsections (a) and (b) of this section are in addition to those authorized by sections 404 and 405 of this title and are—

- (1) subject to such conditions and limitations;
- (2) for such grades, ranks, and ratings; and
- (3) to and from such places;

prescribed by the Secretaries concerned. Transportation of the household effects of a member may not be made by commercial air carrier at an estimated over-all cost that is more than the estimated over-all cost of the transportation thereof by other means, unless an appropriate transportation officer has certified in writing to his commanding officer that those household effects to be so transported are necessary for use in carrying out assigned duties, or are necessary to prevent undue hardship and other means of transportation will not fill those needs. However, not more than 1,000 pounds of unaccompanied baggage may be transported by commercial air carrier, without regard to the preceding sentence, under regulations prescribed under the authority of the Secretary of Defense.

(d) The nontemporary storage of baggage and household effects may be authorized in facilities of the United States, or in commercial facilities when it is considered to be more economical to the United States. However, the weight of baggage and household effects stored, plus the weight of the baggage and household effects transported, in connection with a change of station may not be more than the maximum weight limitations in regulations prescribed by the Secretaries concerned when it is not otherwise fixed by law. The nontemporary storage of baggage and household effects may not be authorized for a period longer than one year from the date the member concerned is separated from the service, except as prescribed in regulations by the Secretaries concerned for a member who, on the date of his separation, is confined in a hospital, or is in its vicinity, undergoing medical treatment.

(e) When orders directing a change of permanent station for the member concerned have not been issued, or when they have been

issued but cannot be used as authority for the transportation of his dependents, baggage, and household effects, the Secretaries concerned may authorize the movement of the dependents, baggage, and household effects and prescribe transportation in kind, reimbursement therefor, or a monetary allowance in place thereof, as the case may be, as authorized under subsection (a) or (b) of this section. This subsection may be used only under unusual or emergency circumstances, including those in which—

(1) the member is performing duty at a place designated by the Secretary concerned as being within a zone from which dependents should be evacuated;

(2) orders which direct the member's travel in connection with temporary duty do not provide for return to the permanent station or do not specify or imply any limit to the period of absence from his permanent station; or

(3) the member is serving on permanent duty at a station outside the United States, in Hawaii or Alaska, or on sea duty.

(f) Under regulations prescribed by the Secretary concerned, transportation for dependents, baggage, and household effects of a member is authorized if he dies while entitled to basic pay under chapter 3 of this title.

*Ante*, p. 453.

(g) Under uniform regulations prescribed by the Secretaries concerned, a member who—

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(1) is retired, or placed on the temporary disability retired list, under chapter 61 of title 10; or

(2) is retired with pay under any other law, or, immediately following at least eight years of continuous active duty with no single break therein of more than 90 days, is discharged with severance pay or is involuntarily released from active duty with readjustment pay;

is entitled to transportation for his dependents, baggage, and household effects to the home selected under section 404(c) of this title. In addition, baggage and household effects may be shipped to a location other than the home selected by the member. In any case in which the costs are in excess of those which would have been incurred if shipment had been made to his selected home, the member shall pay that excess cost. If a member authorized to select a home under section 404(c) of this title accrues that right or any entitlement under this subsection but dies before he exercises it, that right or entitlement accrues to and may be exercised by his surviving dependents, or his baggage and household effects may be shipped to the home of the person legally entitled thereto if there are no surviving dependents. However, in any case in which the costs are in excess of those which would have been incurred if shipment had been made to the members' selected home, the surviving dependents or the person legally entitled to the baggage and household effects, as the case may be, shall pay that excess cost.

#### **§ 407. Travel and transportation allowances: dislocation allowance**

(a) Except as provided by subsections (b) and (c) of this section, under regulations approved by the Secretary concerned, a member of a uniformed service whose dependents make an authorized move in connection with his permanent change of station, is entitled to a dislocation allowance equal to his basic allowance for quarters for one month.

(b) A member is not entitled to more than one dislocation allowance during a fiscal year unless—

(1) the Secretary concerned finds that the exigencies of the service require the member to make more than one such change of station during that fiscal year; or

(2) the member is ordered to a service school as a permanent change of station.

This subsection does not apply in time of national emergency declared after April 1, 1955, or in time of war.

(c) A member is not entitled to payment of a dislocation allowance when ordered from his home to his first duty station or from his last duty station to his home.

#### **§ 408. Travel and transportation allowances: travel within limits of duty station**

A member of a uniformed service may be directed, by regulations of the head of the department or agency in which he is serving, to procure transportation necessary for conducting official business of the United States within the limits of his station. Expenses so incurred by the member for train, bus, streetcar, taxicab, ferry, bridge, and similar fares and tolls, or for the use of privately-owned vehicles at a fixed rate a mile, shall be defrayed by the department or agency under which he is serving, or the member is entitled to be reimbursed for the expense.

#### **§ 409. Travel and transportation allowances: trailers**

Under regulations prescribed by the Secretaries concerned and in place of the transportation of baggage and household effects or payment of a dislocation allowance, a member, or in the case of his death his dependent, who would otherwise be entitled to transportation of baggage and household goods under section 406 of this title, may transport a house trailer or mobile dwelling within the United States, except in Hawaii or Alaska, for use as a residence by one of the following means—

(1) transport the trailer or dwelling and receive a monetary allowance in place of transportation at a rate to be prescribed by the Secretaries concerned, but not more than 20 cents a mile;

(2) deliver the trailer or dwelling to an agent of the United States for transportation by commercial means; or

(3) transport the trailer or dwelling by commercial means and be reimbursed by the United States subject to such rates as may be prescribed by the Secretaries concerned.

However, the cost of transportation under clause (2) or the reimbursement under clause (3) may not be more than the lesser of (A) the current average cost for the commercial transportation of a house trailer or mobile dwelling; (B) 36 cents a mile; or (C) the cost of transporting the baggage and household effects of the member or his dependent plus the dislocation allowance authorized in section 407 of this title. Any payment authorized by this section may be made in advance of the transportation concerned.

#### **§ 410. Travel and transportation allowances: miscellaneous categories**

(a) The following persons are entitled to such travel and transportation allowances provided by section 404 of this title, as prescribed by the Secretaries concerned—

(1) cadets of the United States Military Academy;

(2) midshipmen of the United States Naval Academy;

(3) cadets of the United States Air Force Academy;

(4) cadets of the Coast Guard Academy;

(5) applicants for enlistment;

(6) rejected applicants for enlistment;

(7) general prisoners;

(8) discharged prisoners;

(9) insane patients transferred from military hospitals to other hospitals or to their homes; and

(10) persons discharged from Saint Elizabeths Hospital after transfer from a uniformed service.

(b) The Secretary concerned shall, in prescribing allowances under subsection (a) of this section, consider the rights of the United States, as well as those of the persons concerned.

**§ 411. Travel and transportation allowances: administrative provisions**

(a) For the administration of sections 404 (a), (b), and (d)–(f), 405, 406(a)–(f), 407, 409, and 410 of this title, the Secretaries concerned shall prescribe regulations that are, as far as practicable, uniform for all of the uniformed services.

(b) In establishing the rates and kinds of allowances authorized by the sections of this title designated by subsection (a) of this section, the Secretaries concerned shall—

(1) consider the average cost of first-class transportation, including sleeping accommodations, when prescribing a monetary allowance in place of transportation;

(2) consider the current economic data on the cost of subsistence, including lodging and other necessary incidental expenses related thereto, when prescribing per diem rates; and

(3) consider the average cost of first-class transportation, including sleeping accommodations and current economic data on the cost of subsistence, including lodging and other necessary incidental expenses relating thereto, when prescribing mileage rates.

(c) The Secretaries concerned shall determine what constitutes a travel status for the purposes of the sections of this title designated by subsection (a) of this section.

(d) The Secretary concerned shall define the words “permanent station” for the purposes of the sections of this title designated by subsection (a) of this section. The definition shall include a shore station or the home yard or home port of a vessel to which a member of a uniformed service who is entitled to basic pay may be ordered. An authorized change in the home yard or home port of such a vessel is a change of permanent station.

**§ 412. Appropriations for travel: may not be used for attendance at certain meetings**

Appropriations of the Department of Defense that are available for travel may not, without the approval of the Secretary concerned or his designee, be used for expenses incident to attendance of a member of an armed force under that department at a meeting of a technical, scientific, professional, or similar organization.

**§ 413. Chairman of the Joint Chiefs of Staff**

The Chairman of the Joint Chiefs of Staff is entitled to the allowances provided by law for the Chief of Staff of the Army.

**§ 414. Personal money allowance**

(a) In addition to other pay or allowances authorized by this title, an officer who is entitled to basic pay is entitled to a personal money allowance of—

(1) \$500 a year, while serving in the grade of lieutenant general or vice admiral, or in an equivalent grade or rank;

(2) \$1,200 a year, in place of any other personal money allowance authorized by this section, while serving as Surgeon General of the Public Health Service, or as Director of the Coast and Geodetic Survey;

(3) \$2,200 a year, in addition to the personal money allowance authorized by clause (1) of this subsection, while serving as a

senior member of the Military Staff Committee of the United Nations;

(4) \$2,200 a year, while serving in the grade of general or admiral, or in an equivalent grade or rank; or

(5) \$4,000 a year, in place of any other personal money allowance authorized by this section, while serving as Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard.

(b) In addition to other pay or allowances authorized by law, an officer who is serving in one of the following positions is entitled to the amount set forth for that position, to be paid annually out of naval appropriations for pay, and to be spent in his discretion for the contingencies of his position—

(1) Superintendent of the Naval Postgraduate School—\$400;

(2) Commandant of Midshipmen at the Naval Academy—\$800;

(3) President of the Naval War College—\$1,000;

(4) Superintendent of the Naval Academy—\$5,200; and

(5) Director of Naval Intelligence—\$5,200.

#### **§ 415. Uniform allowance: officers; initial allowance**

(a) Subject to subsections (b) and (c) of this section, a reserve officer of an armed force or an officer of the Army, or the Air Force, without specification of component, is entitled to an initial allowance of not more than \$200 as reimbursement for the purchase of required uniforms and equipment—

(1) upon first reporting for active duty (other than for training) for a period of more than 90 days;

(2) upon completing at least 14 days of active duty as a member of a reserve component; or

(3) upon completing 14 periods, each of which was of at least two hours' duration, of inactive-duty training as a member of the Ready Reserve.

(b) An officer who has received an initial uniform reimbursement or allowance under any other law is not entitled to an initial allowance under subsection (a) of this section.

(c) An officer who has served on active duty as an officer of a regular component of an armed force may not, on the basis of any duty performed within two years after his separation from that component, qualify for an initial allowance under subsection (a) of this section.

(d) An allowance of \$250 for uniforms and equipment may be paid to each commissioned officer of the Public Health Service who is—

(1) on active duty;

(2) required by directive of the Surgeon General to wear a uniform; and

(3) is entitled to the basic pay of pay grade O-1, O-2, or O-3.

An officer is not entitled to more than one allowance under this subsection.

(e) An enlisted member of the Navy, Marine Corps, or Coast Guard who is initially appointed as a temporary officer under section 5596 or 5597 of title 10 or section 435 of title 14, as the case may be, is entitled to a uniform allowance of \$250.

#### **§ 416. Uniform allowance: officers; additional allowance**

(a) In addition to the initial uniform allowance authorized by section 415(a)–(c) of this title, a reserve officer of an armed force who has not become entitled to a uniform reimbursement or allowance as an officer during the preceding four years, is entitled to not more than \$50 as reimbursement for the purchase of required uni-

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forms and equipment, upon completion of each period, after July 9, 1952, of four years of service, as prescribed by section 1332 of title 10, in an active status in a reserve component, including at least 28 days of active duty. However, periods of active duty of more than 90 days may not be included in computing that four years of service.

(b) In addition to the allowance provided by section 415(a)–(c) of this title and subsection (a) of this section, a reserve officer of an armed force, or an officer of the Army, or the Air Force, without specification of component, is entitled to not more than \$100 as reimbursement for additional uniforms and equipment required on that duty, for each time that he enters on active duty for a period of more than 90 days. However, this subsection does not apply to a tour of active duty if—

(1) the officer, during that tour or within a period of two years before entering on that tour, received, under any law, an initial uniform reimbursement or allowance of more than \$200; or

(2) the officer enters on that tour within two years after completing a period of active duty of more than 90 days' duration.

#### **§ 417. Uniform allowance: officers; general provisions**

(a) Subject to standards, policies, and procedures prescribed by the Secretary of Defense, the Secretary of each military department may prescribe regulations that he considers necessary to carry out sections 415(a)–(c) and 416 of this title within his department. The Secretary of the Treasury, with the concurrence of the Secretary of the Navy, may prescribe regulations that he considers necessary to carry out those sections for the Coast Guard when it is not operating as a service in the Navy. As far as practicable, regulations for all reserve components shall be uniform.

(b) Under regulations approved by the Secretary of Defense, or by the Secretary of the Treasury with respect to the Coast Guard when it is not operating as a service in the Navy, and subject to section 415(a)–(c) or 416 of this title, a reserve officer of an armed force who has received a uniform and equipment allowance under section 415(a)–(c) or 416 of this title, may, if a different uniform is required, be paid a uniform and equipment reimbursement upon transfer to, or appointment in, another reserve component.

(c) For the purposes of sections 415(a)–(c) and 416 of this title and subsections (a) and (b) of this section, an officer may count only that duty for which he is required to wear a uniform.

#### **§ 418. Clothing allowance: enlisted members**

The President may prescribe the quantity and kind of clothing to be furnished annually to an enlisted member of the armed forces or the National Guard, and may prescribe the amount of a cash allowance to be paid to such a member if clothing is not so furnished to him.

#### **§ 419. Allowances while participating in international sports**

72 Stat. 521.

(a) Section 716 of title 10 does not authorize the payment of allowances at higher rates than those provided for participation in military activities not covered by that section.

(b) Notwithstanding any other law, a member of a uniformed service is not entitled to travel and transportation allowances under sections 404–411 of this title for any period during which his expenses for travel or transportation are being paid by the agency sponsoring his participation in a competition covered by section 716 of title 10.

(c) Notwithstanding any other law, a member of a uniformed service who has no dependents is not entitled to the basic allowances for subsistence and quarters authorized by sections 402 and 403 of

this title for a period during which he is subsisted and quartered by the agency sponsoring his participation in a competition covered by section 716 of title 10.

72 Stat. 521.

**§ 420. Allowances: no increase while dependent is entitled to basic pay**

A member of a uniformed service may not be paid an increased allowance under this chapter, on account of a dependent, for any period during which that dependent is entitled to basic pay under section 204 of this title.

**§ 421. Contract surgeons**

(a) A contract surgeon who is serving full time with a uniformed service is entitled to the basic allowances, and other allowances authorized by this chapter, of a commissioned officer in pay grade O-2 with less than two years of service computed under section 205 of this title.

(b) A contract surgeon who is serving part time with a uniformed service is entitled to the travel and transportation allowances authorized by this chapter under the same conditions and in the same amounts as are applicable to commissioned officers.

**§ 422. Cadets, midshipmen, and naval officer candidates**

(a) A cadet at the United States Military Academy, the United States Air Force Academy, or the Coast Guard Academy, or a midshipman at the United States Naval Academy, is entitled to the allowances provided by law for a midshipman in the Navy, and to travel and transportation allowances prescribed under section 410 of this title, while traveling under orders as a cadet or midshipman.

(b) Each midshipman of the Navy to whom a Navy ration is not furnished is entitled to the commuted value of the ration in money for each day that he is on active duty, including each day that he is on leave. The Secretary of the Navy may prescribe regulations stating the conditions under which the commuted value shall be allowed and may prescribe regulations establishing the rates at which the ration shall be commuted.

(c) A midshipman appointed under section 6904 of title 10, or a seaman recruit who is enlisted under section 6905 of title 10, is entitled to the allowances provided for a midshipman at the United States Naval Academy for—

70A Stat. 421.

- (1) initial travel to the college or university in which matriculated;
- (2) travel while under orders; and
- (3) travel on discharge.

However, allowance for travel on discharge may not be paid to such a midshipman or recruit who is discharged and who continues his scholastic instruction at the same college or university.

(d) While on flight training or on flight duty, a midshipman appointed under section 6906 of title 10 is entitled to the allowances provided for a midshipman at the United States Naval Academy.

70A Stat. 423.

**§ 423. Validity of allowance payments based on purported marriages**

A payment of an allowance, based on a purported marriage, that is made under this chapter, under the Career Compensation Act of 1949, or under the Pay Readjustment Act of 1942, before judicial annulment or termination of that marriage, is valid, if a court of competent jurisdiction adjudges or decrees that the marriage was entered into in good faith on the part of the spouse who is a member of a uniformed service or if, in the absence of such a judgment or decree, such a finding of good faith is made by the Secretary concerned or by a person designated by him to investigate the matter.

63 Stat. 802.  
37 USC 231  
note.  
56 Stat. 359;  
63 Stat. 839.  
37 USC 17a  
note, 115, 119.



**§ 424. Band leaders**

(a) The leader of the Army Band is entitled to the allowances of a captain in the Army.

(b) The director of music at the United States Military Academy is entitled to the allowances of a commissioned officer whose grade corresponds to the rank prescribed for the director by the Secretary of the Army.

(c) The leader of the United States Navy Band is entitled to the allowances of a lieutenant in the Navy.

(d) A member of the Marine Corps who is appointed as director or assistant director of the United States Marine Corps Band under section 6222 of title 10, is entitled, while serving thereunder, only to the allowances of an officer in the grade in which he is serving. However, his allowances may not be less than those to which he was entitled at the time of his appointment under that section.

(e) The leader of the Naval Academy Band is entitled to the allowances of the pay grade prescribed for him by the Secretary of the Navy under section 207(e) of this title. The second leader is entitled to the allowances of a warrant officer, W-1.

**§ 425. United States Navy Band; United States Marine Corps Band: allowances while on concert tour**

While on concert tours approved by the President, the members of the United States Navy Band and the United States Marine Corps Band do not forfeit allowances.

**§ 426. Prisoners in naval confinement facilities**

(a) A person who is confined in a naval confinement facility under the sentence of a court-martial is entitled to an amount fixed by the Secretary of the Navy, but not more than \$3 a month, for necessary expenses.

(b) Appropriations for the pay of the Navy or the Marine Corps, as the case may be, may be used for payments under this section.

**Chapter 9—Leave**

Sec.

501. Payments for unused accrued leave.

502. Absences due to sickness, wounds, and certain other causes.

503. Absence without leave or over leave.

504. Cadets and midshipmen: chapter does not apply to.

**§ 501. Payments for unused accrued leave**

(a) In subsections (b)-(f) of this section—

(1) "discharge" means—

(A) in the case of an enlisted member, separation or release from active duty under honorable conditions or appointment as an officer; and

(B) in the case of an officer, separation or release from active duty under honorable conditions;

(2) "child" means—

(A) a legitimate child;

(B) a legally adopted child;

(C) a stepchild, if, at the time of the death of the member or former member, the stepchild was a member of his household;

(D) an illegitimate child, in the case of a female member or former member;

(E) an illegitimate child to whose support a male member or former member has been judicially ordered or decreed to contribute, of whom he has been judicially decreed to be the father, or of whom he has acknowledged in writing under oath that he is the father; and

(F) a person to whom the member or former member, at the time of his death, stood in loco parentis and so stood for at least 12 months before his death;

(3) "parent" means—

(A) a father or mother;

(B) a grandfather or grandmother;

(C) a stepfather or stepmother;

(D) a father or mother by adoption; or

(E) a person who for a period of not less than one year before the death of the member or former member stood in loco parentis to him;

except that not more than two persons may be treated as parents for the purposes of this clause, and preference shall be given to the persons who bore a parental relation at the time of, or most nearly before, the death of the member or former member; and

(4) "brother or sister" means—

(A) a brother or sister of the whole blood;

(B) a brother or sister of the half blood;

(C) a stepbrother or stepsister; or

(D) a brother or sister by adoption.

(b) An officer of the Army, Navy, Air Force, Marine Corps, Coast Guard, or Coast and Geodetic Survey who had accrued leave to his credit at the time of his discharge is entitled to be paid in cash or by a check on the Treasurer of the United States for that leave on the basis of the basic pay and allowances to which he was entitled on the date of discharge. An enlisted member of such a uniformed service who had accrued leave to his credit at the time of his discharge is entitled to be paid in cash or by a check on the Treasurer of the United States for that leave on the basis of the basic pay to which he was entitled on the date of discharge, plus an allowance computed at the rate of 70 cents a day for subsistence, and for an enlisted member in pay grade E-9, E-8, E-7, E-6, or E-5, with dependents, an allowance computed at the rate of \$1.25 a day for quarters. However, a payment may not be made under this subsection to a member who—

(1) is discharged for the purpose of accepting an appointment or a warrant, or entering into an enlistment, in his armed force; or

(2) elects to carry over his unused leave to a new enlistment in his armed force on the day after the date of his discharge.

A member to whom a payment may not be made under this subsection, or a member who reverts from officer to enlisted status, carries the accrued leave standing to his credit from the one status to the other within his armed force.

(c) Unused accrued leave for which payment is made under subsection (b) of this section is not considered as service for any purpose.

(d) Payments for unused accrued leave under subsection (b) of this section, in the case of a member or former member who dies after retirement or discharge and before he receives that payment, shall be made upon application, to or for the living survivors highest on the following list—

(1) his surviving spouse and children, in equal shares;

(2) his parents, in equal shares;

(3) his brothers and sisters, in equal shares; or

(4) the children of his deceased brothers and sisters, in equal shares.

If there is no survivor, payment may not be made under this subsection. Payment under this subsection to a survivor who has passed his seventeenth birthday and who has not passed his twenty-first birthday discharges the obligations of the United States under this subsection.

(e) A member of the Army, Navy, Air Force, Marine Corps, Coast Guard, or Coast and Geodetic Survey who is discharged under other than honorable conditions forfeits all accrued leave to his credit at the time of his discharge.

(f) Payment may not be made for leave in excess of 60 days upon discharge or retirement.

(g) An officer of the Regular Corps of the Public Health Service, or an officer of the Reserve Corps of the Public Health Service on active duty, who is credited with accumulated and accrued annual leave on the date of his separation, retirement, or release from active duty, shall, if his application for that leave is approved by the Surgeon General, be paid for that leave in a lump-sum on the basis of his basic pay, subsistence allowance, and allowance for quarters whether or not he is receiving that allowance on that date. However, the number of days upon which the lump-sum payment is based may not be more than 60. A lump-sum payment may not be made under this subsection to an officer—

(1) whose appointment expires or is terminated and who, without a break in active service, accepts a new appointment;

(2) who is retired for age in time of war and is continued on, or recalled to, active duty without a break in active service; or

(3) who is transferred to another department or agency of the United States under circumstances in which, by any other law, his leave may be transferred.

In this subsection, "accumulated annual leave" means unused accrued annual leave carried forward from one leave year into the next leave year, and "accrued annual leave" means the annual leave accruing to an officer during one leave year.

#### **§ 502. Absences due to sickness, wounds, and certain other causes**

(a) A member of the Army, Navy, Air Force, Marine Corps, Coast Guard, or Coast and Geodetic Survey, who is absent because of sickness or wounds, or who is directed by the Secretary concerned, or his designated representative, to be absent from duty to await orders pending disability retirement proceedings for a period that is longer than the leave authorized by section 701 of title 10, is entitled to the pay and allowances to which he would be entitled if he were not so absent. A member who is absent with leave for any other reason for not longer than the leave authorized by that section is entitled to the same pay and allowances to which he would be entitled if he were not on leave, and to any additional allowances otherwise provided by law for members on leave.

(b) Except as provided in subsection (a) of this section, a member who is authorized by the Secretary concerned, or his designated representative, to be absent for a period that is longer than the leave authorized by section 701 of title 10 is not entitled to pay or allowances during the part of his absence that is more than the number of days' leave authorized by that section.

#### **§ 503. Absence without leave or over leave**

(a) A member of the Army, Navy, Air Force, Marine Corps, Coast Guard, or Coast and Geodetic Survey, who is absent without leave or over leave, forfeits all pay and allowances for the period of that absence, unless it is excused as unavoidable.

(b) A commissioned officer of the Regular Corps of the Public Health Service, or an officer of the Reserve Corps of the Public Health Service on active duty, who is absent without leave, forfeits all pay and allowances for the period of that absence, unless it is excused as unavoidable.

**§ 504. Cadets and midshipmen: chapter does not apply to**

This chapter does not apply to cadets at the United States Military Academy, the United States Air Force Academy, the Coast Guard Academy, midshipmen at the United States Naval Academy, or cadets or midshipmen serving elsewhere in the armed forces.

**Chapter 11—Payments to Mentally Incompetent Persons**

Sec.

601. Applicability.

602. Payments: designation of person to receive amounts due.

603. Regulations.

604. Determination of Secretary final.

**§ 601. Applicability**

This chapter applies to—

- (1) members of a uniformed service who are on active duty (other than for training) or who are on a retired list of that service; and
- (2) members of the Fleet Reserve or Fleet Marine Corps Reserve.

**§ 602. Payments: designation of person to receive amounts due**

(a) Active duty pay and allowances, amounts due for accrued or accumulated leave, or retired or retainer pay, that are otherwise payable to a member to whom this chapter applies and who, in the opinion of a board of medical officers or physicians, is mentally incapable of managing his affairs, may be paid for that member's use or benefit to any person designated by the Secretary concerned, or by any officer to whom he delegates his authority under this section, without the appointment in judicial proceedings of a committee, guardian, or other legal representative.

(b) The board shall consist of at least three qualified medical officers or physicians, one of whom is specially qualified in the treatment of mental disorders, appointed from available medical officers or physicians under his jurisdiction by the head of whichever of the following is providing medical treatment for the member, or by a person designated by that head—

- (1) Department of the Army;
- (2) Department of the Navy;
- (3) Department of the Air Force;
- (4) Department of Health, Education, and Welfare; or
- (5) Veterans' Administration.

If the hospitalization or medical care of the member is not provided by the United States, the board shall be appointed by the Secretary of the department having jurisdiction of the member.

(c) A payment made to a person who is designated under this section discharges the obligation of the United States as to the amount paid.

(d) A person serving in a legal, medical, fiduciary, or other capacity, may not demand or accept a fee, commission, or other charge for any service performed under this chapter.

(e) This section does not apply in any case in which a legal committee, guardian, or other representative has been appointed by a court of competent jurisdiction, except as to payments made before the paying agency of the department concerned receives notice of that appointment.

(f) A person who is designated to receive payments under this section shall furnish satisfactory assurance that the amounts received by him will be applied to the use and benefit of the incompetent member, and, where the payments may reasonably be expected to be more than \$1,000, shall provide a suitable bond to be paid for out of amounts due the incompetent member.

**§ 603. Regulations**

The Secretary concerned and the Administrator of Veterans' Affairs shall prescribe regulations necessary to carry out this chapter.

**§ 604. Determination of the Secretary final**

The determination as to the person authorized to receive a payment under section 602 of this title is final and is not subject to review by an official of the United States or a court.

**Chapter 13—Allotments and Assignments of Pay**

Sec.

701. Members of Army or Air Force; contract surgeons.

702. Allotments: officers of Navy or Marine Corps.

703. Allotments: members of Coast Guard.

704. Allotments: officers of Public Health Service.

705. Assignments: enlisted members of naval service.

706. Commissioned officers of Coast and Geodetic Survey.

**§ 701. Members of Army or Air Force; contract surgeons**

(a) Under regulations prescribed by the Secretary of the Army or the Secretary of the Air Force, as the case may be, a commissioned officer of the Army or the Air Force may transfer or assign his pay account, when due and payable.

(b) A contract surgeon, or contract dental surgeon, of the Army or the Air Force, on duty in Alaska, Hawaii, the Philippine Islands, or Puerto Rico, may transfer or assign his pay account, when due and payable, under the regulations prescribed under subsection (a) of this section.

(c) An enlisted member of the Army or the Air Force may not assign his pay, and if he does so, the assignment is void.

(d) The Secretary of the Army or the Secretary of the Air Force, as the case may be, may allow a—

(1) member of the Army or the Air Force; or

(2) contract surgeon of the Army or the Air Force;

to make allotments from his pay for the support of his relatives, or for any other purpose that the Secretary concerned considers proper. If an allotment made under this subsection is paid to the allottee before the disbursing officer receives a notice of discontinuance from the officer required by regulation to furnish the notice, the amount of the allotment shall be credited to the disbursing officer. If an allotment is erroneously paid because the officer required by regulation to so report failed to report the death of the allotter or any other fact that makes the allotment not payable, the amount of the payment not recovered from the allottee shall, if practicable, be collected by the Chief of Finance (in cases involving the Army) or by the Secretary of the Air Force, from the officer who failed to make the report.

**§ 702. Allotments: officers of Navy or Marine Corps**

The Secretary of the Navy, under regulations prescribed by him, may permit an officer of the Navy or Marine Corps to make allotments of his pay—

(1) for the support of his family or relatives;

(2) for his own savings; or

(3) for other purposes.

**§ 703. Allotments: members of Coast Guard**

Members of the Coast Guard may, under regulations prescribed by the Secretary of the Treasury, make allotments from their pay and allowances.

**§ 704. Allotments: officers of Public Health Service**

Commissioned officers of the Public Health Service who are on active duty may, under regulations prescribed by the President, make allotments from their pay.

**§ 705. Assignments: enlisted members of naval service**

Each assignment of pay due an enlisted member of the Navy or Marine Corps and each power of attorney or other authority to draw, receipt for, or transfer that pay, is void, unless attested by the member's commanding officer and the disbursing officer having custody of the member's pay record. An assignment of pay shall state the date when the transfer of pay to the assignee is to begin.

**§ 706. Commissioned officers of Coast and Geodetic Survey**

Under regulations prescribed by the Secretary of Commerce, commissioned officers of the Coast and Geodetic Survey may make allotments or assignments of their pay.

**Chapter 15—Prohibitions and Penalties**

Sec.

801. Restriction on payment to certain officers.

802. Forfeiture of pay during absence from duty due to disease from intemperate use of alcohol or drugs.

803. Commissioned officers of Army or Air Force: forfeiture of pay when dropped from rolls.

804. Enlisted members of Army or Air Force: pay and allowances not to accrue during suspended sentence of dishonorable discharge.

805. Sale of pay by members of naval service to be discouraged by commanding officer.

**§ 801. Restriction on payment to certain officers**

(a) An officer of the Regular Navy or the Regular Marine Corps, other than a retired officer, may not be employed by a person furnishing naval supplies or war materials to the United States. If such an officer is so employed, he is not entitled to any payment from the United States during that employment.

(b) If a retired officer of the Regular Navy or the Regular Marine Corps is engaged for himself or others in selling, or contracting or negotiating to sell, naval supplies or war materials to the Department of the Navy, he is not entitled to any payment from the United States while he is so engaged.

(c) Payment may not be made from any appropriation, for a period of two years after his name is placed on that list, to an officer on a retired list of the Regular Army, the Regular Navy, the Regular Air Force, the Regular Marine Corps, the Regular Coast Guard, the Coast and Geodetic Survey, or the Public Health Service, who is engaged for himself or others in selling, or contracting or negotiating to sell, supplies or war materials to an agency of the Department of Defense, the Coast Guard, the Coast and Geodetic Survey, or the Public Health Service.

**§ 802. Forfeiture of pay during absence from duty due to disease from intemperate use of alcohol or drugs**

A member of the Army, Navy, Air Force, or Marine Corps, on active duty who is absent from his regular duties for a continuous period of more than one day because of disease that is directly caused by and immediately follows his intemperate use of alcoholic liquor or habit-forming drugs is not entitled to pay for the period of that absence. However, a member whose pay is forfeited for more than one month is entitled to \$5 for personal expenses for each full month that his pay is forfeited. Determinations of periods and causes of

absence under this section shall be made as prescribed by the Secretary concerned, and are final.

**§ 803. Commissioned officers of Army or Air Force: forfeiture of pay when dropped from rolls**

70A Stat. 89.

A commissioned officer of the Army or the Air Force who is dropped from the rolls under section 1161(b) of title 10 for absence without authority for three months forfeits all pay due or to become due.

**§ 804. Enlisted members of Army or Air Force: pay and allowances not to accrue during suspended sentence of dishonorable discharge**

Pay and allowances do not accrue to an enlisted member of the Army or the Air Force who is in confinement under sentence of dishonorable discharge, while the execution of the sentence to discharge is suspended.

**§ 805. Sale of pay by members of naval service to be discouraged by commanding officer**

The commanding officer of a naval vessel shall discourage each member of the crew from selling any part of his pay and may not attest a power of attorney for the transfer of pay unless he is satisfied that the power is not granted in consideration of money given for the purchase of pay.

**Chapter 17—Miscellaneous Rights and Benefits**

Sec.

901. Wartime pay of officer of armed force exercising command higher than his grade.

902. Pay of crews of wrecked or lost naval vessels.

903. Retired members recalled to active duty; former members.

904. Officers of Navy or Marine Corps promoted under chapter 545 of title 10: effective date of beginning of pay and allowances.

905. Officers of Navy or Marine Corps not covered by section 904 of this title: effective date of beginning of pay and allowances.

906. Extension of enlistment: effect on pay and allowances.

**§ 901. Wartime pay of officer of armed force exercising command higher than his grade**

In time of war, an officer of an armed force who is serving with troops operating against an enemy and who exercises, under assignment in orders issued by competent authority, a command above that pertaining to his grade, is entitled to the pay and allowances (not above that of pay grade O-7) appropriate to the command so exercised.

**§ 902. Pay of crews of wrecked or lost naval vessels**

(a) When the accounts of the disbursing officer of a naval vessel are lost as a result of the destruction of the vessel, his return for the last month may, unless there is official evidence to the contrary, be used in computing later credits to and settling accounts of persons, other than officers, carried on his accounts. If the return for the last month has not been made, the pay accounts may be settled on principles of equity and justice.

(b) When a naval vessel is lost or has not been heard from for so long that her loss may be presumed, the General Accounting Office, under the direction of the Secretary of the Navy, may fix the date of loss of the vessel for the purpose of settling the accounts of persons aboard other than officers.

(c) When the crew of a naval vessel is separated from that vessel because of her wreck, loss, or destruction, the pay and emoluments of those officers and enlisted members that the Secretary considers (because of the sentence of a court-martial or the finding of a court

of inquiry, or by other satisfactory evidence) to have done their utmost to save the vessel and, after the wreck, loss, or destruction, to have behaved themselves according to the discipline of the Navy, continue and shall be paid to them until their discharge or death, whichever is earlier.

**§ 903. Retired members recalled to active duty; former members**

A retired member or former member of a uniformed service, or a member of the Fleet Reserve or Fleet Marine Corps Reserve, who is serving on active duty is entitled to the pay and allowances to which he is entitled, under this title, for the grade, rank, or rating in which he is serving. In addition, while on active duty, he is entitled to the pay and allowances, while on leave of absence or while sick, of a member of a uniformed service of similar grade, rank, or rating who is entitled to basic pay.

**§ 904. Officers of Navy or Marine Corps promoted under chapter 545 of title 10: effective date of beginning of pay and allowances**

(a) An officer who is promoted under any of sections 5751–5774 of title 10 is entitled to the pay and allowances of the grade to which promoted from the date of the occurrence of the vacancy that he was promoted to fill, if he is in one of the following categories—

70A Stat. 346.

(1) male line officers of the Navy not restricted in the performance of duty;

(2) male line officers of the Navy designated for engineering duty, aeronautical engineering duty, or special duty promoted to the grade of rear admiral;

(3) male line officers of the Navy designated for engineering duty, aeronautical engineering duty, or special duty who are promoted to the grade of lieutenant commander to fill vacancies in the combined grades of lieutenant commander, commander, and captain and whose promotion was delayed because there were no vacancies for them at the time when they would otherwise have been eligible for promotion under section 5769(b) of title 10;

(4) male line officers of the Navy designated for limited duty;

(5) women line officers on the active list of the Navy promoted to the grade of commander or lieutenant commander;

(6) male officers of the Marine Corps not restricted in the performance of duty;

(7) male officers of the Marine Corps designated for supply duty promoted to the grade of brigadier general;

(8) male officers of the Marine Corps designated for supply duty who are promoted to the grade of major to fill vacancies in the combined grades of major, lieutenant colonel, and colonel and whose promotion was delayed because there were no vacancies for them at the time when they would otherwise have been eligible for promotion under section 5769(b) of title 10;

(9) male officers of the Marine Corps designated for limited duty;

(10) women officers on the active list of the Marine Corps promoted to the grade of lieutenant colonel or major; or

(11) staff corps officers of the Navy promoted to the grade of rear admiral.

(b) A male line officer of the Navy designated for engineering duty, aeronautical engineering duty, or special duty, or a male officer of the Marine Corps designated for supply duty, if not in a category listed in subsection (a) of this section, is entitled, when promoted under any of sections 5751–5774 of title 10, to the pay and allowances of the grade to which promoted from the date on which he became eligible for promotion to that grade.



70A Stat. 346.

(c) A woman line officer on the active list of the Navy promoted to the grade of lieutenant or a woman officer on the active list of the Marine Corps promoted to the grade of captain under any of sections 5751-5774 of title 10 is entitled to the pay and allowances of the grade to which promoted from July 1 following the date on which the President approved the report of the selection board that recommended her for promotion.

(d) Except as provided by subsection (e) of this section, a male staff corps officer or a woman staff corps officer who is promoted to a grade below rear admiral under any of sections 5751-5774 of title 10 is entitled to the pay and allowances of the grade to which promoted from the date on which his running mate in that grade became eligible for promotion to that grade.

(e) An officer in the Nurse Corps who is promoted to the grade of captain or commander under any of sections 5751-5774 of title 10 is entitled to the pay and allowances of the grade to which promoted from—

(1) the date of the occurrence of the vacancy that he was promoted to fill; or

(2) the date on which the President approved the report of the selection board that recommended him for promotion; whichever is later.

**§ 905. Officers of Navy or Marine Corps not covered by section 904 of this title: effective date of beginning of pay and allowances**

(a) The pay of an officer of the Regular Navy or the Regular Marine Corps begins on the date he accepts his initial appointment, except that—

(1) the pay of an officer required to give an official bond begins on the date the bond is approved by proper authority; and

(2) the pay of an officer commissioned within six months after his graduation from the United States Naval Academy begins on the date of rank stated in his commission.

72 Stat. 1499.  
10 USC 5891-  
5912.

(b) A reserve officer who is promoted under chapter 549 of title 10 to a grade above lieutenant (junior grade) in the Naval Reserve or above first lieutenant in the Marine Corps Reserve is entitled to the pay and allowances of the grade to which promoted for duty performed from the date on which he became eligible for promotion to that grade. However, if an officer has not established his professional and moral qualifications, as prescribed by the Secretary of the Navy under section 5867 of title 10, within one year after the date on which the President approved the report of the selection board that recommended him for promotion, he is entitled to the pay and allowances of the grade to which promoted only from the date he is appointed in that grade.

(c) A reserve officer who is promoted under section 5908 of title 10 to the grade of lieutenant (junior grade) in the Naval Reserve or first lieutenant in the Marine Corps Reserve is entitled to the pay and allowances of the higher grade for duty performed from the date given him as his date of rank.

70A Stat. 367.

(d) An officer of the Navy or Marine Corps who is promoted under section 5788 of title 10 is entitled to the pay and allowances of the higher grade from his date of rank in that grade unless he is entitled to them from an earlier date under another law.

72 Stat. 1497.

(e) A woman officer temporarily promoted under section 5787b of title 10 is entitled to the pay and allowances of the higher grade from the date of her eligibility for that temporary promotion.

70A Stat. 316;  
74 Stat. 273.

(f) An officer appointed in a higher grade under section 5505 of title 10 is entitled to the pay and allowances of the higher grade from the date of his appointment in that grade.

(g) A member of the naval service who is appointed under section 5597 of title 10 is entitled to the pay and allowances of the grade in which appointed from the date that appointment is made. Such a person may not suffer a reduction in the pay and allowances to which he was entitled because of his permanent status at the time of his temporary appointment, or a reduction in the pay and allowances to which he was entitled under a prior temporary appointment in a lower grade.

70A Stat. 330;  
Post, p. 493.

(h) A member of the naval service who is appointed under section 5787 of title 10 is entitled to the pay and allowances of the grade in which appointed from the date that appointment is made. Such a member may not suffer a reduction in the pay and allowances to which he was entitled at the time of his appointment.

70A Stat. 366;  
Post, p. 493.

#### **§ 906. Extension of enlistment: effect on pay and allowances**

(a) A member of the Army or the Air Force, as the case may be, who extends his enlistment under section 3263 or 8263 of title 10 is entitled to the same pay and allowances as though he had reenlisted.

72 Stat. 1465,  
1516.

(b) A member of the Regular Navy or the Regular Marine Corps, as the case may be, who extends his enlistment under section 5539 of title 10 is entitled to the same pay and allowances as though he had reenlisted. For the purposes of determining entitlement to reenlistment bonus and to travel and transportation allowances upon discharge, all such extensions of enlistment are considered one continuous extension.

70A Stat. 320.

### **Chapter 19—Administration**

Sec.

1001. Regulations relating to pay and allowances.

1002. Additional training or duty without pay: Reserves and members of National Guard.

1003. Assimilation of pay and allowances.

1004. Computation of pay and allowances for month or part of month.

1005. Army and Air Force; prompt payments required.

1006. Advance payments.

1007. Deductions from pay.

#### **§ 1001. Regulations relating to pay and allowances**

(a) A Secretary of a military department may not prescribe a regulation under this title or any other law, relating to the pay and allowances of members of an armed force under that department, unless it has been approved under procedures prescribed by the Secretary of Defense.

(b) Regulations of the Secretary concerned relating to pay matters, similar to those covered by subsection (a) of this section, for members of the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service, shall, as far as practicable, conform to regulations approved under that subsection.

(c) The Secretary of Defense, the Secretary of the Treasury, the Secretary of Commerce, or the Secretary of Health, Education, and Welfare, may obtain from the Comptroller General an advisory opinion with respect to a proposed regulation especially affecting a department under that Secretary's jurisdiction.

#### **§ 1002. Additional training or duty without pay: Reserves and members of National Guard**

(a) A member of the National Guard, or of a reserve component of a uniformed service, may, with his consent, be given additional training or other duty as provided by law, without pay, as may be authorized by the Secretary concerned.

(b) A member who performs training or other duty without pay under subsection (a) of this section may, in the discretion of the

Secretary concerned, be authorized the travel and transportation allowances prescribed by section 404 (a)–(d), and (f), of this title for travel performed to and from that training or duty, and, during the performance of that training or duty, be furnished with subsistence and quarters in kind or commutation thereof at a rate to be fixed by the Secretary concerned.

(c) This section does not authorize compensation for work or study performed by a member of a reserve component in connection with correspondence courses of an armed force.

(d) This section does not apply to a member who is entitled to basic pay under chapter 3 of this title.

### **§ 1003. Assimilation of pay and allowances**

Chapters 3 and 5 and sections 402–407, 409–411, and 414 of this title apply equally to persons who are not serving as members of a uniformed service but whose pay or allowances, or both, are assimilated under law or a regulation prescribed under law, to the pay or allowances, or both, of commissioned officers, warrant officers, or enlisted members of any grade, rank, or rating in any uniformed service.

### **§ 1004. Computation of pay and allowances for month or part of month**

A member of a uniformed service who is entitled to pay and allowances under this title for a continuous period of less than one month is entitled to his pay and allowances for each day of that period at the rate of 1/30 of the monthly amount of his pay and allowances. The thirty-first day of a calendar month may not be excluded from a computation under this section.

### **§ 1005. Army and Air Force: prompt payments required**

Members of the Army and of the Air Force shall be paid at such times that arrearages will at no time be more than two months, unless circumstances make further arrearages unavoidable.

### **§ 1006. Advance payments**

(a) Under regulations prescribed by the Secretary concerned, not more than three months' pay may be paid in advance to a member of an armed force upon his permanent change of station.

(b) Under regulations prescribed by the Secretary concerned, a member of an armed force who is on duty at a distant station where the pay and emoluments to which he is entitled cannot be disbursed regularly, may be paid in advance.

(c) Under regulations prescribed by the Secretary concerned, an advance of pay to a member of an armed force who is on duty outside the United States, or other place designated by the President, of not more than two months' basic pay may be made directly to his previously designated dependents who are ordered evacuated by competent authority. An advance of pay under this subsection is not subject to the conditions under which advances of pay may be made under subsection (a) or (b) of this section, and may be made only if all dependents of members of the armed forces are ordered evacuated from the place where the member's dependents are located.

(d) If a person to whom an advance of pay is made under subsection (a), (b), or (c) of this section dies or is separated from his armed force, before liquidation of that advance, the amount remaining unliquidated at the time of his death or separation shall be credited to the account of the disbursing officer concerned. However, the unliquidated amount remains a debt of that person or his estate to the United States.

(e) As far as practicable, regulations for the administration of subsections (a)–(d) of this section shall be uniform for all of the armed forces.

*Ante*, pp. 453,  
461, 470.

(f) Under regulations prescribed by the Secretary of the Treasury, an advance of pay of not more than three months' pay may be made to an officer of the Coast Guard who is ordered to sea duty or to or from shore duty beyond the seas. In addition, the Commandant of the Coast Guard may direct such advances as he considers necessary and proper to members of the Coast Guard stationed at distant stations where the pay and emoluments to which they are entitled cannot be paid regularly.

#### **§ 1007. Deductions from pay**

(a) The pay of an officer of an armed force may be withheld, under section 82 of title 5, only for an indebtedness to the United States admitted by the officer or shown by the judgment of a court, or upon a special order issued in the discretion of the Secretary concerned.

(b) An amount due the United States from an enlisted member of the Army or the Air Force for articles sold to him on credit under section 4621(a)(1) or 9621(a)(1) of title 10, as the case may be, shall be deducted from the next pay due him after the sale is reported. In the case of a member of the Army, the report shall be made to the Chief of Finance. An amount due the United States from an enlisted member of the Army or the Air Force for tobacco sold to him by the United States under section 4623 or 9623 of title 10 shall be deducted from his pay in the manner provided for the settlement of clothing accounts.

70A Stat. 257,  
579.

(c) Under regulations prescribed by the Secretary concerned, an amount that an enlisted member of the Army or the Air Force is administratively determined to owe the United States or any of its instrumentalities may be deducted from his pay in monthly installments. However, after the deduction of pay forfeited by the sentence of a court-martial, if any, or otherwise authorized by law to be withheld, the deductions authorized by this section may not reduce the pay actually received for any month to less than one-third of his basic pay for that month.

(d) Subject to subsection (c) of this section, an amount due the United States from an enlisted member of the Army or the Air Force may be deducted from his pay on final statement, or from his savings on his clothing allowance.

(e) The amount of any damage, or cost of repairs, to arms or equipment caused by the abuse or negligence of a member of the Army or the Air Force, as the case may be, who had the care of, or was using, the property when it was damaged, shall be deducted from his pay.

(f) If, upon final settlement of the accounts of an officer of the Army or the Air Force charged with the issue of an article of military supply, there is a deficiency of that article, or if an article of military supply with whose issue an officer is charged is damaged, the value of the lost article or the amount of the damage shall be charged against the officer and deducted from his monthly pay, unless he shows to the satisfaction of the Secretary of the Army or the Secretary of the Air Force, as the case may be, by one or more affidavits setting forth the circumstances, that he was not at fault.

(g) An amount due the United States from an officer of the Army or the Air Force for rations bought on credit, and for articles bought on credit under section 4621(a)(1) or 9621(a)(1) of title 10, shall be deducted from the next pay due that officer after the sale is reported.

## AMENDMENTS TO TITLE 10, ARMED FORCES

70A Stat. 17;  
72 Stat. 1439.  
10 USC 501-516.

SEC. 2. Chapter 31 of title 10, United States Code, is amended as follows:

(1) The following new section is added at the end thereof:

**"§ 517. Authorized daily average: members in pay grades E-8 and E-9**

*Ante*, p. 467.

"Except as provided in section 307 of title 37, the authorized daily average number of enlisted members on active duty (other than for training) in an armed force in pay grades E-8 and E-9 in a calendar year may not be more than 2 percent and 1 percent, respectively, of the number of enlisted members of that armed force who are on active duty (other than for training) on January 1 of that year."

(2) The following new item is added at the end of the analysis:

"517. Authorized daily average: members in pay grades E-8 and E-9."

SEC. 3. Title 10, United States Code, is amended as follows:

(1) The following new chapter is inserted after chapter 39:

**"Chapter 40—Leave**

"Sec.

"701. Entitlement and accumulation.

"702. Cadets and midshipmen.

"703. Reenlistment leave.

"704. Use of leave; regulations.

**"§ 701. Entitlement and accumulation**

"(a) A member of an armed force is entitled to leave at the rate of 2½ calendar days for each month of active service, excluding periods of—

"(1) absence from duty without leave;

"(2) absence over leave; and

"(3) confinement as the result of a sentence of a court-martial.

Full-time training, or other full-time duty for a period of more than 29 days, performed under section 316, 502, 503, 504, or 505 of title 32 by a member of the Army National Guard of the United States or the Air National Guard of the United States in his status as a member of the National Guard, and for which he is entitled to pay, is active service for the purposes of this section.

"(b) Notwithstanding any other provision of law, a member may not accumulate more than 60 days' leave. However, leave taken during a fiscal year may be charged to leave accumulated during that fiscal year without regard to this limitation.

"(c) A member who retired after August 9, 1946, who is continued on, or is recalled to, active duty, may have his leave which accumulated during his service before retirement carried over to his period of service after retirement.

"(d) Leave accumulated under this section does not survive the death of the member during active service.

"(e) Leave taken before discharge is considered to be active service.

**"§ 702. Cadets and midshipmen**

"(a) Graduates of the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, or the Coast Guard Academy who, upon graduation, are appointed in a regular component of an armed force, may, in the discretion of the Secretary concerned, or his designated representative, be granted graduation leave of not more than 60 days. Leave granted under this subsection is in addition to any other leave and may not be deducted

70A Stat. 605,  
610.

from or charged against other leave authorized by this chapter, and must be completed within three months of the date of graduation. Leave under this subsection may not be carried forward as credit beyond the date of reporting to the first permanent duty station or to a port of embarkation for permanent duty outside the United States or in Alaska or Hawaii.

“(b) Sections 701, 702(a), 703, and 704 of this chapter do not apply to cadets at the United States Military Academy, the United States Air Force Academy, or the Coast Guard Academy, midshipmen at the United States Naval Academy, or cadets or midshipmen serving elsewhere in the armed forces. The Secretary concerned, or his designated representative, may prescribe regulations relating to leave for cadets and midshipmen.

#### “§ 703. Reenlistment leave

“Leave for not more than 90 days may be authorized, in the discretion of the Secretary concerned, or his designated representative, to a member of an armed force who reenlists. Leave authorized under this section shall be deducted from leave accrued during active service before reenlistment or charged against leave that may accrue during future active service, or both.

#### “§ 704. Use of leave; regulations

“(a) Under regulations prescribed by the Secretary concerned, or his designated representative, leave may be taken by a member on a calendar-day basis as vacation or absence from duty with pay, annually as accruing, or otherwise.

“(b) Regulations prescribed under subsection (a) shall—

“(1) provide equal treatment of officers and enlisted members;

“(2) establish to the fullest extent practicable uniform policies for the several armed forces;

“(3) provide that leave shall be taken annually as accruing to the extent consistent with military requirements and other exigencies; and

“(4) provide for the determination of the number of calendar days of leave to which a member is entitled, including the number of calendar days of absence from duty or vacation to be counted or charged against leave.”

(2) The chapter analysis of subtitle A and the chapter analysis of part II of subtitle A are amended by inserting the following new item:

“40. Leave----- 701”.

SEC. 4. Section 4338 of title 10, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

70A Stat. 239.

“(a) The director of music, who is also the leader of the Military Academy Band, has the rank prescribed by the Secretary of the Army.”; and

(2) by striking out the words “counted under subsection (a)” in the first sentence of subsection (b).

SEC. 5. (a) Section 5597(i) of title 10, United States Code, is amended to read as follows:

“(i) Each temporary appointment under this section, unless expressly declined, is, without formal acceptance or oath of office, regarded as accepted on the date made.”

(b) Section 5787(g) of title 10, United States Code, is amended to read as follows:

“(g) Each temporary appointment under this section, unless expressly declined, is, without formal acceptance, regarded as accepted on the date made.”

Navy rations.  
70A Stat. 379.

(c) Section 6081 (b) and (c) of title 10, United States Code, is amended to read as follows:

"(b) Each midshipman is entitled to a Navy ration for each day that he is on active duty, including each day that he is on leave.

"(c) The Secretary of the Navy may prescribe regulations stating the conditions under which the ration shall be allowed under subsection (b)."

SEC. 6. (a) The following sections of title 10, United States Code, are amended by striking out the words "pay, and allowances" wherever they appear therein:

(1) 3068(b) (last sentence).

(2) 3071(b) (last sentence).

(3) 3071(c) (last sentence).

(b) The following sections of title 10, United States Code, are amended by striking out the words "and the pay and allowances" wherever they appear therein:

71 Stat. 375.

(1) 3069 (last sentence).

(2) 3070(b) (last sentence).

(3) 3070(c) (last sentence).

(c) The following sections of title 10, United States Code, are amended by striking out the words "and is entitled to the pay and allowances of an officer serving in that rank":

70A Stat. 287.

(1) 5139(a) (3d sentence).

(2) 5140(a) (3d sentence).

(3) 5143(a) (2d sentence).

(4) 5206(a) (2d sentence).

(d) Sections 3687 and 8687 of title 10, United States Code, are amended by striking out the words "pay and allowances, pensions," and inserting the word "pensions" in place thereof.

(e) Section 6148 (a) and (b) of title 10, United States Code, is amended by striking out the words "hospital benefits, and pay and allowances" and inserting the words "and hospital benefits" in place thereof.

(f) Title 10, United States Code, is amended as follows:

(1) Section 101(31)(A) is amended by striking out the words "section 301 of title 37" and inserting the words "section 206 of title 37" in place thereof.

(2) Section 555(a) is amended by striking out the words "section 232(a) of title 37" and inserting the words "section 201(d) of title 37" in place thereof.

(3) Sections 564(a)(1), 1166(a), 1167 (a) and (b), 1293, and 1305 are each amended by striking out the words "section 311 of title 37" and inserting the words "section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114)" in place thereof.

72 Stat. 130.

(4) Section 1405(2) is amended by striking out the words "section 233(a) (7) of title 37" and inserting the words "section 205 (a) (7) and (8) of title 37" in place thereof.

70A Stat. 378.

(5) Section 6033(a) is amended by striking out the words "sections 231-319 of".

72 Stat. 1513.

(6) Section 6912 is amended by striking out the words "section 251(a) of title 37" and inserting the words "section 402 (a) and (b) of title 37" in place thereof.

## AMENDMENTS TO TITLE 14, COAST GUARD

SEC. 7. (a) Section 755 of title 14, United States Code, is amended— 63 Stat. 551.  
 (1) by amending the catchline to read as follows:

“§ 755. Benefits.”; and

(2) by striking out the words “pay, allowances, and” in subsection (a).

(b) Section 462a of title 14, United States Code, is amended to read as follows: 70A Stat. 623.

“§ 462a. Retired rear admirals; retired pay after two years of active duty

“Each officer of the Coast Guard holding a permanent appointment in the grade of rear admiral on the retired list who is entitled to the pay of the lower half of that grade, and who, in time of war or national emergency, serves satisfactorily on active duty for two years in that grade or in a higher grade, is entitled when not on active duty to retired pay equal to 75 percent of the basic pay of a rear admiral of the upper half.”

(c) The analysis of chapter 13 is amended by striking out the following item: 14 USC 461-511.

“462a. Retired rear admirals; active duty pay and retired pay after two years of active duty.”

and inserting the following item in place thereof:

“462a. Retired rear admirals; retired pay after two years of active duty.”

(d) The analysis of chapter 21 is amended by striking out the following item: 14 USC 751-795.

“755. Pay, allowances, and other benefits.”

and inserting the following item in place thereof:

“755. Benefits.”

## AMENDMENTS TO TITLE 32, NATIONAL GUARD

SEC. 8. (a) Section 318 of title 32, United States Code, is amended by striking out the words “pay and allowances,”. 70A Stat. 605; 72 Stat. 1567.

(b) Sections 321(a) (2) and (3), (b) (2), and (f) (3), and 715(a) (3) of title 32, United States Code, are amended by striking out the words “section 301 of title 37” wherever they appear therein and inserting the words “section 206 of title 37” in place thereof. 72 Stat. 1544; 74 Stat. 878.

## AMENDMENTS TO CERTAIN LAWS APPLICABLE TO COAST AND GEODETIC SURVEY

SEC. 9. (a) Section 3(a) of the Act of August 10, 1956, ch. 1041, as amended (33 U.S.C. 857a(a)), is amended by adding the following new clause at the end thereof: 73 Stat. 358; 75 Stat. 507.

“(10) Chapter 40. Leave.”

(b) The Act of June 3, 1948, ch. 390, as amended, is further amended as follows:

(1) Section 9 (33 U.S.C. 853h) is amended by striking out the words “active-duty pay with longevity credit” wherever they appear and inserting the words “basic pay” in place thereof. 62 Stat. 299.

(2) Section 16(a) (33 U.S.C. 853o(a)) is amended by striking out the words “active-duty pay with longevity credit” wherever they appear and inserting the words “basic pay” in place thereof. 62 Stat. 299; 72 Stat. 132.



(c) Active service in the Coast and Geodetic Survey as a deck officer or junior engineer and active service counted on June 30, 1922, for longevity pay, shall be credited to commissioned officers as active commissioned service for purposes of retirement and retirement pay.

### AMENDMENT TO DEPENDENTS ASSISTANCE ACT OF 1950

SEC. 10. Sections 1-4 of the Dependents Assistance Act of 1950 (64 Stat. 795) are amended to read as follows:

"That for the duration of this Act, that part of section 401(3) of title 37, United States Code, which reads 'and actually resides in the member's household' is suspended: *Provided*, That the dependency of the father or mother as required by that section shall be determined on the basis of an affidavit submitted by such father or mother, and such other evidence as the Secretary concerned may deem necessary under such regulations as he may prescribe, and no such father or mother shall be deemed dependent unless—

"(1) the member of the uniformed service claiming such dependency has provided over one-half of the support of such father or mother for such period of time as the Secretary concerned may prescribe; or

"(2) in the case of claimed dependency arising by reason of changed circumstances after the entrance of such member into active service subsequent to the effective date of this Act, such father or mother becomes in fact dependent on such member for over one-half of his or her support.

"SEC. 2. For the duration of this Act, the last sentence of section 403(a) of title 37, United States Code, is suspended.

"SEC. 3. For the duration of this Act, section 403(a) of title 37, United States Code, is amended by striking out that portion of the table therein which prescribes monthly basic allowances for quarters for enlisted members, and inserting the following new table in place thereof:

| "Pay grade |             | Not over 2 dependents | Over 2 dependents |
|------------|-------------|-----------------------|-------------------|
| E-9-----   |             | \$77.10               | \$96.90           |
| E-8-----   |             | 77.10                 | 96.90             |
| E-7-----   |             | 77.10                 | 96.90             |
| E-6-----   |             | 77.10                 | 96.90             |
| E-5-----   |             | 77.10                 | 96.90             |
| E-4-----   |             | 77.10                 | 96.90             |
| "Pay grade | 1 dependent | 2 dependents          | Over 2 dependents |
| E-3-----   | \$51.30     | \$77.10               | \$96.90           |
| E-2-----   | 51.30       | 77.10                 | 96.90             |
| E-1-----   | 51.30       | 77.10                 | 96.90             |

"SEC. 4. (a) Subject to section 403 of title 37, United States Code, enlisted members of the uniformed services without dependents shall be entitled to a basic allowance for quarters at the rate of \$51.30 per month.

"(b) The payment of the basic allowance for quarters provided in section 403(a) of title 37, United States Code, for enlisted members with dependents shall be made only for such periods as the enlisted member has in effect an allotment of pay not less than the sum of the basic allowance for quarters to which he is entitled plus \$40 (or in the case of enlisted members in pay grades E-4 and E-5, \$60; or in the case of enlisted members in pay grades E-6, E-7, E-8, and E-9,

Ante, p. 152.  
50 USC app.  
2201-2204.  
Ante, p. 469.

Ante, p. 470.

\$80), for the support of the dependent or dependents on whose account the allowance is claimed: *Provided*, That such allotment shall not be required, (1) for the calendar month in which such member enters on active duty in a pay status if the allotment is effective from the following month; (2) for the calendar month in which such member is discharged, if not immediately reenlisted; (3) for the calendar month in which such member is released from active duty; (4) for the calendar month in which dependency ceases; (5) for the calendar month in which dependency commences if the allotment is effective from the following month; (6) for the calendar month in which such member is assigned to quarters for himself and his dependents or for the calendar month in which such assignment is terminated: *Provided further*, That such allotment may be initiated, continued, modified, or discontinued in accordance with such regulations as may be prescribed by the Secretary of the Department concerned: *And provided further*, That the minimum allotment required for any month shall be based on the lowest rate of basic allowance for quarters to which the member is entitled and the lowest pay grade in which the member is serving during such month.

“(c) The allotment required by subsection (b) of this section shall be paid to or on behalf of such dependent or dependents as may be specified by the enlisted member concerned, subject to such regulations as the Secretary concerned may prescribe.

“(d) Any delay in initiating an allotment as required by this section shall not invalidate entitlement to basic allowance for quarters, provided that such allotment is made retroactive for such period as the member may elect to claim the allowance for his dependent or dependents. If the Secretary concerned finds that such delay was caused by the exigencies of the service, he may waive the allotment requirement, or the additional increment thereto, as applicable, for such retroactive period.

“(e) The entitlement to the basic allowance for quarters provided for in this section shall be substantiated in such manner and in accordance with such regulations as the Secretary concerned may prescribe.”

## AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

SEC. 11. The Public Health Service Act is amended as follows:

(1) Section 206(a) (42 U.S.C. 207(a)) is amended by striking out the words “, with the same pay and allowances,” “, with the pay and allowances thereof”, and “, with the pay and allowances thereof,” wherever they appear.

(2) Section 210(g) (42 U.S.C. 211(g)) is amended by striking out the word “pay” in clauses (1) and (2) thereof and inserting the words “basic pay” in place thereof.

(3) Section 208(b) (42 U.S.C. 210(b)) is amended by striking out the first sentence and the words “Such officers,” in the second sentence and inserting the words “Commissioned officers on active duty” in place thereof.

## SAVINGS AND SEVERABILITY PROVISIONS

SEC. 12. (a) In sections 1-11 of this Act, it is the legislative purpose to restate, without substantive change, the law replaced by those sections on the effective date of this Act. However, laws effective after January 9, 1962, that are inconsistent with this Act, shall be considered as superseding it to the extent of the inconsistency.

(b) References that other laws, regulations, and orders make to the replaced law shall be considered to be made to the corresponding provisions of sections 1-11 of this Act.

## SCHEDULE OF LAWS REPEALED

## C. SECTIONS OF TITLE 10, UNITED STATES CODE

- (1) Section 142(d).
- (2) Section 555(a) (column headed "Pay Grade").
- (3) Section 2772.
- (4) Section 3263(b).
- (5) Section 3536(b).
- (6) Section 3632.
- (7) Section 3633.
- (8) Section 3636.
- (9) Section 3689.
- (10) Section 4837 (less (d)).
- (11) Section 5062.
- (12) Section 5064(b) (the words ", pay, allowances,")).
- (13) Section 5064(c) (last sentence).
- (14) Section 5111(b) (the words "pay, allowances, and").
- (15) Section 5133(a) (last 20 words of 1st sentence, and last 13 words of last sentence).
- (16) Section 5134.
- (17) Section 5138(b) (the words "pay, allowances, and").
- (18) Section 5142 (last sentence).
- (19) Section 5145(c) (last 12 words).
- (20) Section 5148(b) (the words ", pay, allowances,")).
- (21) Section 5149(a) (last sentence).
- (22) Section 5150(c) (the words ", pay, allowances,")).
- (23) Section 5150(d) (last sentence).
- (24) Section 5202(a) (last sentence).
- (25) Section 5505(c).
- (26) Section 5507.
- (27) Section 5539(b).
- (28) Section 5597(h) (last sentence).
- (29) Section 5775.
- (30) Section 5787(h) (last sentence).
- (31) Section 5787b(c).
- (32) Section 5788(c).
- (33) Section 5907.
- (34) Section 5908(a) (last sentence).
- (35) Section 6111.
- (36) Section 6112.
- (37) Section 6141.
- (38) Section 6142.
- (39) Section 6143.
- (40) Section 6144.
- (41) Section 6145.
- (42) Section 6146.
- (43) Section 6147.
- (44) Section 6221(b).
- (45) Section 6222(e).
- (46) Section 6224.
- (47) Section 6406(b).
- (48) Section 6904(b) and (c).
- (49) Section 6905(b) and (c).
- (50) Section 6906(c) (1st sentence).
- (51) Section 6915(f).
- (52) Section 6969(b) (less last sentence).
- (53) Section 8263(b).
- (54) Section 8632.

- (55) Section 8633.
- (56) Section 8636.
- (57) Section 8689.
- (58) Section 9837 (less (d)).

d. SECTIONS OF TITLE 14, UNITED STATES CODE

- (1) Section 462.
- (2) Section 464.
- (3) Section 465.
- (4) Section 485(c).
- (5) Section 495.
- (6) Section 758a(f).

e. SECTIONS OF TITLE 32, UNITED STATES CODE

- (1) Section 303(c).

Effective date.

SEC. 15. This Act shall take effect on November 1, 1962. Laws enacted after January 9, 1962, that are inconsistent with this Act shall supersede it to the extent of the inconsistency.

Approved September 7, 1962.

Public Law 87-650

September 7, 1962  
[S. 2250]

AN ACT

To provide for the incorporation of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, organized 1883, seventy-eight years old.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following persons, to wit:

National Woman's Relief Corps.  
Incorporation.

President: Mabel R. Ginder, Toledo, Ohio;  
Senior vice president: Jessie Johnston, Cheyenne, Wyoming;  
Junior vice president: Irene Randolph, Minneapolis, Minnesota;  
Secretary: Bessie K. Coughlin, Providence, Rhode Island;  
Treasurer: Ocie M. Turney, Springfield, Illinois, executive officers;  
Legislative committee: Laura I. Smith, chairman, 16 Temple Street, Providence, Rhode Island; Ethel Ferris Hasenbuhler, Washington, District of Columbia; and Marie Morgan, Indianapolis, Indiana;  
Past national presidents: Cora M. Davis, Nehalem, Oregon; Catherine McBride Hoster, Indianapolis, Indiana; Annie Poole Atwood, Wollaston, Massachusetts; Beatrice J. Tyson, DeBary, Florida; Lizetta Coady, Detroit, Michigan; Mary J. Love, Louisville, Kentucky; Ida Heacock Baker, Parsons, Kansas; Elizabeth L. Kothe, Parkersburg, Iowa; Grace Houlette Hahn, Miami, Florida; Louise Haider, Santa Barbara, California; Anne Anschutz, Saint Louis, Missouri; Laura I. Smith, Providence, Rhode Island; Alice F. Larson, Minot, North Dakota; Grayce L. Vedetta, Brooklyn, New York; Harriette G. McCollough, Des Moines, Iowa; Eula M. Nelson, Springfield, Illinois; Daisy Heinemann, Milwaukee, Wisconsin; Grace L. Johnson, Toledo, Ohio; Ruth E. Johnson, Bellflower, California; Lucille V. Rand, Worcester, Massachusetts; Gertrude M. Edwards, Iroquois, South Dakota; Bessie K. Coughlin, Providence, Rhode Island; Elizabeth Jeans, Saint Louis, Missouri; and Josephine E. Parkhurst, Pulaski, New York, and their successors, are hereby created

and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic (hereafter referred to as the corporation), and by such name shall be known and have perpetual succession and the powers, limitations and restrictions herein contained. It shall be the duty of the persons named in this section, jointly and severally, to file with the Superintendent of Corporations of the District of Columbia a copy of this Act within fifteen days after the date of its enactment.

SEC. 2. A majority of the persons named in the first section of this Act, acting in person or by written proxy, are authorized to complete the organization of the corporation by the selection of officers, the adoption of a constitution and bylaws not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

SEC. 3. The purposes of the corporation shall be: To perpetuate the memory of the Grand Army of the Republic, as we the National Woman's Relief Corps are their auxiliary and were organized at their request in 1883, and of men who saved the Union in 1861 to 1865; to assist in every practicable way in the preservation and making available for research of documents and records pertaining to the Grand Army of the Republic and its members; to cooperate in doing honor to all those who have patriotically served our country in any war; to teach patriotism and the duties of citizenship, the true history of our country, and the love and honor of our flag; to oppose every tendency or movement that would weaken loyalty to, or make for the destruction or impairment of, our constitutional Union; and to inculcate and broadly sustain the American principles of representative government, of equal rights, and of impartial justice for all.

Purposes.

SEC. 4. The corporation shall have power—

Corporate powers.

- (1) to have succession by its corporate name;
- (2) to sue and be sued, complain and defend in any court of competent jurisdiction;
- (3) to adopt, use, and alter a corporate seal;
- (4) to choose such officers, as the corporation may require;
- (5) to adopt, amend, and alter a constitution and bylaws; not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;
- (6) to contract and be contracted with;
- (7) to take by lease, gift, purchase, grants, devise, or bequest from any public body or agency or any private corporation, association, partnership, firm, or individual and to hold absolutely or in trust for any of the purposes of the corporation any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State, (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State; and
- (8) to transfer, convey, lease, sublease, encumber, and otherwise alienate real, personal, or mixed property.

SEC. 5. Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide. Eligibility for membership in the corporation shall be women, who are the wives, mothers, daughters, and sisters

Membership, eligibility.

of Union soldiers, sailors, and marines and other loyal women, who have not given aid or comfort to the enemies of the United States of America.

SEC. 6. The supreme governing authority of the corporation shall be the national convention thereof, composed of such officers and elected representatives from the several States as shall be provided by the rules and regulations: *Provided*, That the form of the government of the corporation shall always be representative of the membership at large and shall not permit the concentration of the control thereof in the hands of a limited number of members or in a self-perpetuating group not so representative. The meetings of the national convention may be held in any State or in the District of Columbia.

SEC. 7. (a) During the intervals between the national convention the executive officers shall be the governing board of the corporation and shall be held responsible for the general policies, program, and activities of the corporation.

(b) Upon the enactment of this Act the membership of the initial executive officers of the corporation shall consist of the executive officers of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, the corporation described in section 18 of this Act, or such of them as may then be living and are qualified members of said executive officers, to wit: Mabel R. Ginder, Jessie Johnston, Irene Randolph, Bessie K. Coughlin, Ocie M. Tumey, Mary J. Love, Laura I. Smith, Ethel Ferris Hasenbuhler, and Marie Morgan.

(c) Thereafter, the council of administration of the corporation shall consist of not less than seven members elected in the manner and for the term as may be prescribed in the constitution and bylaws of the corporation.

SEC. 8. The officers of the corporation shall be a national president, senior vice national president, junior vice national president, secretary and treasurer (which latter two offices may be held by one person), and such other officers as may be prescribed in the constitution and bylaws. The officers of the corporation shall be elected in such manner and for such terms and with such duties and titles as may be prescribed in the constitution and bylaws of the corporation.

SEC. 9. (a) The principal office of the corporation shall be located in Springfield, Illinois, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, and the District of Columbia, of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process, notice, or demand for the corporation, and service of such process, notice or demand required or permitted by law to be served upon the corporation may be served upon such agent. The corporation shall file with the Superintendent of Corporations of the District of Columbia a statement designating the initial and each successor registered agent of the corporation immediately following any such designation. As used in this Act the term "Superintendent of Corporations of the District of Columbia" means the Commissioners of the District of Columbia or any agent designated by them to perform the functions vested by this Act in the Superintendent of Corporations.

Use of income.

SEC. 10. (a) No part of the income or assets of the corporation shall inure to any of its members or officers as such, or be distributable to any of them, during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of reasonable compensation to

officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the council of administration of the corporation.

(b) The corporation shall not make loans to the officers. Any member of the council of administration, who votes for or assents to the making of a loan or advance to an officer or member of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

SEC. 11. The corporation and its officers and agents as such shall not contribute to or otherwise support or assist any political party or candidate for public office.

SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 13. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

SEC. 14. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its national convention. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

SEC. 15. (a) The accounts of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such independent audit shall be submitted to the Congress not later than six months following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and include such statements as are necessary to present fairly the corporation's assets and liabilities, surplus or deficit with an analysis of the changes therein during the year, sources and application of funds, and the financial results of any trading, manufacturing, publishing, or other commercial-type endeavor carried on by the corporation, together with the independent auditor's opinion of those statements. Such report shall not be printed as a public document.

Report to Con-  
gress.

SEC. 16. Not later than six months following the close of the fiscal year the corporation shall report to the Congress on its activities during the preceding fiscal year. Such report may consist of a report on the proceedings of the national convention covering such fiscal year. Such report shall not be printed as a public document.

SEC. 17. The corporation and its subordinate corps shall have the sole and exclusive right to use the name, the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic. The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as have heretofore been used by the Illinois corporation described in section 18 and the right to which may be lawfully transferred to the corporation.

SEC. 18. The corporation may acquire the assets of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, a corporation organized under the laws of the State of Illinois, upon discharging or satisfactorily providing for the payment and discharge of all the liability of such corporation and upon complying with all laws of the State of Illinois applicable thereto.

Distribution of  
assets.

SEC. 19. Upon any dissolution or final liquidation of the corporation, its assets shall be applied and distributed as follows:

(a) All liabilities and obligations of the corporation shall be paid, satisfied, and discharged, or adequate provision shall be made therefor;

(b) Assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;

(c) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations engaged in activities of a charitable, religious, eleemosynary, benevolent, educational, or similar purpose, pursuant to a plan of distribution adopted as provided in this Act;

(d) Other assets, if any, shall be distributed in accordance with the provisions of the articles of incorporation or the bylaws to the extent that the articles of incorporation or bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others;

(e) Any remaining assets may be distributed to such persons, societies, organizations or domestic or foreign corporations engaged in activities not for profit, as may be specified in a plan of distribution adopted by the council of administration of the corporation in compliance with the constitution and bylaws of the corporation and all Federal, State, and District of Columbia laws applicable thereto.

SEC. 20. The right to alter, amend, or repeal this Act is expressly reserved.

Approved September 7, 1962.

## Public Law 87-651

### AN ACT

September 7, 1962  
[H. R. 10433]

To amend title 10, United States Code, to codify recent military laws, and to improve the Code.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Armed Forces.

### TITLE I. AMENDMENTS TO TITLE 10, UNITED STATES CODE TO INCORPORATE RECENT LAWS

SEC. 101. The second sentence of section 280 of title 10, United States Code, is amended by striking out "513," and "742,".

70A Stat. 14.

10 USC 671-686.

SEC. 102. (a) Chapter 39 of title 10, United States Code, is amended by adding after section 686:



**“§ 687. Non-Regulars: readjustment payment upon involuntary release from active duty**

“(a) Except for members covered by subsection (b), a member of a reserve component or a member of the Army or the Air Force without component who is released from active duty involuntarily, or because he was not accepted for an additional tour of active duty for which he volunteered after he had completed a tour of active duty, and who has completed, immediately before his release, at least five years of continuous active duty as a commissioned officer, warrant officer, or enlisted member, is entitled to a readjustment payment computed by multiplying his years of active service, but not more than 18, by one-half of one month's basic pay of the grade in which he is serving at the time of his release. For the purposes of this subsection—

“(1) a period of active duty is continuous if it is not interrupted by a break in service of more than 30 days;

“(2) a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded; and

“(3) a period for which the member concerned has received severance pay under another provision of law may not be included.

“(b) Subsection (a) does not apply to—

“(1) a member who is released from active duty at his request;

“(2) a member who is released from active duty for training;

“(3) under regulations to be prescribed by the Secretary of Defense, or by the Secretary of the Treasury with respect to the Coast Guard when it is not operating as a service in the Navy, a member who is released from active duty because of moral or professional dereliction;

“(4) a member who, upon release from active duty, is immediately eligible for retired pay or retainer pay based entirely on his military service;

“(5) a member who, upon release from active duty, is immediately eligible for severance pay based on his military service and who elects to receive that severance pay; or

“(6) a member who, upon release from active duty, is immediately eligible for disability compensation under a law administered by the Veterans' Administration and who elects to receive that disability compensation.

However, this subsection does not prevent a member who elects to receive a readjustment payment under this section from becoming entitled to disability compensation based on his service performed after he makes that election.

“(c) A member to whom a readjustment payment is made under this section is not entitled to mustering-out pay under the Mustering-Out Payment Act of 1944 (58 Stat. 8), the Veterans' Readjustment Assistance Act of 1952 (66 Stat. 663), or chapter 43 of title 38. If he was paid mustering-out pay under one of those provisions before he became entitled to a readjustment payment under this section, the amount of that mustering-out pay shall be deducted from the amount to which he is entitled under this section.

“(d) Any readjustment payment to which a member becomes entitled under this section shall be reduced by the amount of any previous payment made to him under this section that he has not repaid to the United States. If he has repaid that amount to the United States, the period covered by it shall be treated as a period for which a payment has not been made under this section.

72 Stat. 1272,  
1273, 1222.  
38 USC 2101-  
2105.

“(e) A member’s acceptance of a readjustment payment under this section does not affect his entitlement to retired pay, retainer pay, or other retirement benefits from the United States.”

10 USC 671-686. (b) Chapter 39 of title 10, United States Code, is further amended by adding at the end of the analysis:

“687. Non-Regulars: readjustment payment upon involuntary release from active duty.”

10 USC 711-717. SEC. 103. (a) Chapter 41 of title 10, United States Code, is amended by redesignating section 716, relating to the participation of members of the armed forces in international sports, as section “717”.

(b) Chapter 41 of title 10, United States Code, is further amended by redesignating item 716 of the analysis, relating to the participation of members of the armed forces in international sports, as item “717”.

70A Stat. 37. SEC. 104. Clauses (11) and (12) of section 802 of title 10, United States Code, are amended by inserting “Guam,” after “Puerto Rico.”

72 Stat. 1444. SEC. 105. Section 1006(e) of title 10, United States Code, is amended by striking out “section 1391 of title 50” and inserting in place thereof “section 787 of title 14”.

70A Stat. 89. SEC. 106. (a) Section 1163 of title 10, United States Code, is amended by adding at the end:

“(d) Under regulations to be prescribed by the Secretary concerned, which shall be as uniform as practicable, a member of a reserve component who is on active duty and is within two years of becoming eligible for retired pay or retainer pay under a purely military retirement system, may not be involuntarily released from that duty before he becomes eligible for that pay, unless his release is approved by the Secretary.”

10 USC 1161-1167. (b) Chapter 59 of title 10, United States Code, is amended by adding after section 1167:

**“§ 1168. Discharge or release from active duty: limitations**

“(a) A member of an armed force may not be discharged or released from active duty until his discharge certificate or certificate of release from active duty, respectively, and his final pay or a substantial part of that pay, are ready for delivery to him or his next of kin or legal representative.

“(b) This section does not prevent the immediate transfer of a member to a Veterans’ Administration facility for necessary hospital care.”

(c) Chapter 59 of title 10, United States Code, is further amended by adding at the end of the analysis:

“1168. Discharge or release from active duty: limitations.”

70A Stat. 91. SEC. 107. (a) Sections 1201, 1202, and 1203 of title 10, United States Code, are amended by striking out “training” under section 270(b) of this title” and inserting in place thereof “training under section 270(b) of this title”.

70A Stat. 98. (b) Section 1211(d) of title 10, United States Code, is amended by striking out “(2), or (3)” in clause (1) and inserting “or (2)” in place thereof and by striking out “(5)” in clause (2) and inserting “(4)” in place thereof.

71 Stat. 160. (c) Sections 1218 and 1219 of title 10, United States Code, are amended to read as follows:

**“§ 1218. Discharge or release from active duty: claims for compensation, pension, or hospitalization**

“(a) A member of an armed force may not be discharged or released from active duty because of physical disability until he—

“(1) has made a claim for compensation, pension, or hospitalization, to be filed with the Veterans’ Administration, or has refused to make such a claim; or

“(2) has signed a statement that his right to make such a claim has been explained to him, or has refused to sign such a statement.

“(b) A right that a member may assert after failing or refusing to sign a claim, as provided in subsection (a), is not affected by that failure or refusal.

“(c) This section does not prevent the immediate transfer of a member to a Veterans’ Administration facility for necessary hospital care.

**“§ 1219. Statement of origin of disease or injury: limitations**

“A member of an armed force may not be required to sign a statement relating to the origin, incurrence, or aggravation of a disease or injury that he has. Any such statement against his interests, signed by a member, is invalid.”

(d) Section 1220 of title 10, United States Code, is repealed.

(e) Chapter 61 of title 10, United States Code, is amended by striking out of the analysis:

10 USC 1201-1221.

“1218. Explanation of rights before discharge.

“1219. Statement against interest void.

“1220. Location of accredited representatives at military installations.”

and inserting in place thereof:

“1218. Discharge or release from active duty: claims for compensation, pension, or hospitalization.

“1219. Statement of origin of disease or injury: limitations.”

SEC. 108. Section 1334(b) of title 10, United States Code, is amended to read as follows:

70 A Stat. 104.

“(b) Time spent after retirement (without pay) for failure to conform to standards and qualifications prescribed under section 1001 of this title may not be credited in a computation of years of service under this chapter.”

SEC. 109. Section 1405 of title 10, United States Code, is amended by striking out “6391(h), 6394(g)(2)” and inserting in place thereof “6394(h)”.

72 Stat. 130.

SEC. 110. (a) Sections 1553 and 1554 of title 10, United States Code, are amended to read as follows:

72 Stat. 1267.

**“§ 1553. Review of discharge or dismissal**

“(a) The Secretary concerned shall, after consulting the Administrator of Veterans’ Affairs, establish a board of review, consisting of five members, to review the discharge or dismissal (other than a discharge or dismissal by sentence of a general court-martial) of any former member of an armed force under the jurisdiction of his department upon its own motion or upon the request of the former member or, if he is dead, his surviving spouse, next of kin, or legal representative. A motion or request for review must be made within 15 years after the date of the discharge or dismissal.

"(b) A board established under this section may, subject to review by the Secretary concerned, change a discharge or dismissal, or issue a new discharge, to reflect its findings.

"(c) A review by a board established under this section shall be based on the records of the armed forces concerned and such other evidence as may be presented to the board. A witness may present evidence to the board in person or by affidavit. A person who requests a review under this section may appear before the board in person or by counsel or an accredited representative of an organization recognized by the Administrator of Veterans' Affairs under chapter 59 of title 38.

72 Stat. 1238.  
38 USC 3401-  
3405.

**"§ 1554. Review of retirement or separation without pay for physical disability**

"(a) The Secretary concerned shall from time to time establish boards of review, each consisting of five commissioned officers, two of whom shall be selected from officers of the Army Medical Corps, officers of the Navy Medical Corps, Air Force officers designated as medical officers, or officers of the Public Health Service, as the case may be, to review, upon the request of an officer retired or released from active duty without pay for physical disability, the findings and decisions of the retiring board, board of medical survey, or disposition board in his case. A request for review must be made within 15 years after the date of the retirement or separation.

"(b) A board established under this section has the same powers as the board whose findings and decision are being reviewed. The findings of the board shall be sent to the Secretary concerned, who shall submit them to the President for approval.

"(c) A review by a board established under this section shall be based upon the records of the armed forces concerned and such other evidence as may be presented to the board. A witness may present evidence to the board in person or by affidavit. A person who requests a review under this section may appear before the board in person or by counsel or an accredited representative of an organization recognized by the Administrator of Veterans' Affairs under chapter 59 of title 38."

10 USC 1551-  
1554.

(b) Chapter 79 of title 10, United States Code, is amended by striking out of the analysis:

"1553. Review of discharges and dismissals.

"1554. Review of decisions of retiring boards and similar boards."

and inserting in place thereof:

"1553. Review of discharge or dismissal.

"1554. Review of retirement or separation without pay for physical disability."

71 Stat. 45.

SEC. 111. (a) Section 2633 of title 10, United States Code, is amended to read as follows:

**"§ 2633. Stevedoring and terminal services: vessels carrying cargo or passengers sponsored by military department**

"(a) Notwithstanding section 628 of title 31, the Secretary of a military department may, under such regulations as he may prescribe, furnish stevedoring and terminal services and facilities to vessels carrying cargo, or passengers, or both, sponsored by his department.

"(b) The furnishing of services and facilities under this section shall be at fair and reasonable rates.

"(c) The proceeds from furnishing services and facilities under this section shall be paid to the credit of the appropriation or fund out of which the services or facilities were supplied."

10 USC 2631-  
2633.

(b) Chapter 157 of title 10, United States Code, is amended by adding after section 2633:

**“§ 2634. Motor vehicles: for members on permanent change of station**

“When a member of an armed force is ordered to make a permanent change of station, one motor vehicle owned by him and for his personal use may be transported to his new station at the expense of the United States—

“(1) on a vessel owned by the United States; or

“(2) by privately owned American shipping services.”

(c) Chapter 157 of title 10, United States Code, is further amended by striking out of the analysis:

10 USC 2631-2633.

“2633. Terminal Services, furnish to commercial steamship companies.”

and inserting in place thereof:

“2633. Stevedoring and terminal services: vessels carrying cargo or passengers sponsored by military department.

“2634. Motor vehicles: for members on permanent change of station.”

SEC. 112. (a) Section 2672 of title 10, United States Code, is amended—

72 Stat. 1459.

(1) by striking out “\$5,000” in the catchline and wherever it appears in the text and inserting in place thereof “\$25,000”; and

(2) by striking out “determines is urgently” in clause (1) and inserting in place thereof “or his designee determines is”.

(b) Section 2674(a) of title 10, United States Code, is amended by adding at the end: “However, a determination that a project is urgently needed is not required for a project costing not more than \$5,000.”

(c) Chapter 159 of title 10 of United States Code, is amended by adding at the end after section 2678:

10 USC 2661-2678.

**“§ 2679. Representatives of veterans’ organizations: use of space and equipment**

“(a) Upon certification to the Secretary concerned by the Administrator of Veterans’ Affairs, the Secretary shall allow accredited, paid, full-time representatives of the organizations named in section 3402 of title 38, or of other organizations recognized by the Administrator, to function on military installations under the jurisdiction of that Secretary that are on land and from which persons are discharged or released from active duty.

72 Stat. 1238.

“(b) The commanding officer of each of those military installations shall allow the representatives described in subsection (a) to use available space and equipment at that installation.”

“(c) The regulations prescribed to carry out this section that are in effect on January 1, 1958, remain in effect until changed by joint action of the Secretary concerned and the Administrator.

“(d) This section does not authorize the violation of measures of military security.

**“§ 2680. Reimbursement of owners of property acquired for public works projects for moving expenses**

“(a) Under regulations approved by the Secretary of Defense and without regard to sections 1001 and 1003–1011 of title 5, the Secretary of a military department, or his designee, may, upon application by the owners and the tenants of land to be acquired for a public works project of his department, reimburse those owners and tenants for those expenses, losses, or damages that he determines to be fair and reasonable and that are incurred by them as a direct result of moving themselves and their families and possessions because of that acquisition. However, application for reimbursement must be made within one year after that acquisition or within one year after the property is vacated, whichever date is later, and be accompanied by an itemized statement of the expenses, losses, and damages incurred.

60 Stat. 237.

“(b) The total payments under this section with respect to a parcel of land may not be more than 25 percent of the fair value of that land, as determined by the Secretary of the military department concerned. They are in addition to, but may not duplicate, any other payments that may be made under law as a result of acquisition of that land.

“(c) Any funds appropriated for civil or military public works may be used to make payments under this section.”

10 USC 2661-  
2678.

(d) Chapter 159 of title 10, United States Code, is further amended by striking out of the analysis:

“2672. Acquisition: interests in land when cost is not more than \$5,000.”  
and inserting in place thereof:

“2672. Acquisition: interests in land when cost is not more than \$25,000.”  
and by adding the following at the end of the analysis:

“2679. Representatives of veterans' organizations: use of space and equipment.

“2680. Reimbursement of owners of property acquired for public works projects for moving expenses.”

10 USC 2731-  
2736.

SEC. 113. (a) Chapter 163 of title 10, United States Code, is amended by inserting after section 2734:

**“§ 2734a. Property loss; personal injury or death: incident to noncombat activities of armed forces; foreign countries; international agreements**

“(a) Under an international agreement to which the United States is a party that provides that claims against the United States arising out of the acts or omissions in the performance of official duty in a foreign country of a civilian employee, or a member, of an armed force may be adjudicated by that country under its laws and regulations, the Secretary of Defense may—

“(1) reimburse that country for the agreed pro rata share of such amounts as are spent by that country to pay those claims, including the costs of settlement or arbitration; or

“(2) pay that country the agreed pro rata share of claims arising out of damage to the property of that country, including the costs of settlement or arbitration.

“(b) A claim arising out of an act of an enemy of the United States or arising, directly or indirectly, from an act of the armed forces, or a member thereof, while engaged in combat may not be considered or paid under this section.

“(c) A reimbursement or payment under this section shall be made by the Secretary of Defense out of appropriations for that purpose. Those appropriations may be used to buy foreign currencies needed for the reimbursement.

**“§ 2734b. Property loss; personal injury or death: incident to activities of armed forces of foreign countries in United States; international agreements**

“(a) Where an international agreement to which the United States is a party provides that claims against a foreign country arising out of the acts or omissions in the performance of official duty in the United States, or a Territory, Commonwealth, or possession, of a civilian employee, or member, of the armed forces of that country, be adjudicated by the United States under its laws and regulations subject to an agreed pro rata reimbursement, those claims may be prosecuted against the United States, or settled by the United States, under then existing laws and regulations as if the acts or omissions upon which they are based were the acts or omissions in the performance of official duty of a civilian employee, or a member, of an armed force.

"(b) When a dispute arises in the settlement or adjudication of a claim under this section whether an act or omission was in the performance of official duty, or whether the use of a vehicle of the armed forces was authorized, the dispute shall be decided under the international agreement with the foreign country concerned. Such a decision is final and conclusive. The Secretary of Defense may pay that part of the cost of obtaining such a decision that is chargeable to the United States under that agreement.

"(c) A claim arising out of an act of an enemy of the United States may not be considered or paid under this section.

"(d) A payment under this section shall be made by the Secretary of Defense out of appropriations for that purpose."

(b) Chapter 163 of title 10, United States Code, is amended by inserting in the analysis: 10 USC 2731-2736.

"2734a. Property loss; personal injury or death: incident to noncombat activities of armed forces: foreign countries; international agreements.

"2734b. Property loss; personal injury or death: incident to activities of armed forces of foreign countries in United States; international agreements."

SEC. 114. Sections 3034(d)(4), 5081(c), 5201(d), and 8034(d)(4) of title 10, United States Code, are amended by striking out "pursuant to section 202(j) of the National Security Act of 1947, as amended" and inserting in place thereof "under section 124 of this title". 72 Stat. 516.

SEC. 115. Section 3853(1) of title 10, United States Code, is amended by striking out "23" and inserting in place thereof "22". 72 Stat. 1486.

SEC. 116. Chapter 373 of title 10, United States Code, is amended—  
 (1) by repealing section 4023; and 10 USC 4022-4025.  
 (2) by striking out of the analysis: 70A Stat. 233.

"4023. Service club and library services."

SEC. 117. The last two sentences of sections 4337 and 9337 of title 10, United States Code, are amended to read as follows: "The chaplain is entitled to the same allowances for public quarters as are allowed to a captain, and to fuel and light for quarters in kind. The chaplain may be reappointed."

SEC. 118. Sections 4621 (a) and (b) and 9621 (a) and (b) of title 10, United States Code, are amended by striking out "sections 172-172j of title 5" and inserting in place thereof "section 2208 of this title".

SEC. 119. Chapter 447 of title 10, United States Code, is amended—  
 (1) by repealing section 4748; and 10 USC 4741-4749.  
 (2) by striking out of the analysis: 70A Stat. 268.

"4748. Motor vehicles: for members on permanent change of station."

SEC. 120. Section 5081 of title 10, United States Code, is amended by striking out subsection (e).

SEC. 121. Section 5082 of title 10, United States Code, is amended—  
 (1) by inserting the designation "(a)" before the words "In order that";  
 (2) by striking out of clauses (1) (A) and (2) (A) "as defined in section 5081 of this title"; and  
 (3) by adding at the end:

"(b) As used in this section, 'operating forces' means the several fleets, sea-going forces, sea-frontier forces, district forces, and such of the shore establishment of the Navy and other forces and activities as may be assigned thereto by the President or the Secretary of the Navy."

SEC. 122. Section 6033(a) of title 10, United States Code, is amended by striking out "Except for the purposes of sections 231-319 of title 37" and inserting in place thereof "Except as otherwise specifically provided".

72 Stat. 1507.

SEC. 123. (a) Section 6148(e) (2) of title 10, United States Code, is amended to read as follows:

“(2) section 331 of title 38;”.

70A Stat. 387.

(b) Section 6157 of title 10, United States Code, is repealed.

10 USC 6141-6161.

(c) Chapter 561 of title 10, United States Code, is amended by striking out of the analysis:

“6157. Motor vehicles: transportation on permanent change of station.”

70A Stat. 429.

SEC. 124. Section 6954(a) (8) of title 10, United States Code, is amended by striking out “Railroad” and inserting in place thereof “Canal”.

71 Stat. 44.

SEC. 125. Section 7230 of title 10, United States Code, is amended to read as follows:

**“§ 7230. Sale of degaussing equipment**

“(a) To promote the installation, repair, and maintenance of degaussing equipment on vessels registered under the laws of the United States, the Secretary of the Navy may, under such regulations as he may prescribe, sell degaussing equipment that is available from Navy stocks, but that is not readily available commercially, to owners or operators of privately owned merchant ships of United States registry.

“(b) Sales under this section shall be at prices representing the current or estimated replacement cost to the Navy.

“(c) The proceeds of sales under this section shall be paid to the credit of the current appropriation or fund concerned.”

70A Stat. 520.

SEC. 126. Section 8352(a) of title 10, United States Code, is amended by striking out the second sentence.

72 Stat. 129.

SEC. 127. The table in section 8991 of title 10, United States Code, is amended by striking out “8962(c)” in footnote 1 and inserting in place thereof “8962(b)”.

10 USC 9022-9025.

70A Stat. 558.

SEC. 128. Chapter 873 of title 10, United States Code, is amended—

- (1) by repealing section 9023; and
- (2) by striking out of the analysis:

“9023. Service club and library services.”

10 USC 9741-9748.

SEC. 129. Chapter 947 of title 10, United States Code, is amended—

- (1) by repealing section 9748; and
- (2) by striking out of the analysis:

“9748. Motor vehicles: for members on permanent change of station.”

SEC. 130. Section 674(a) of title 10, United States Code, is amended to read as follows:

“(a) Units and members in the Standby Reserve may be ordered to active duty (other than for training) only as provided in section 672 of this title.”

SEC. 131. Section 2276(b) of title 10, United States Code, is amended to read as follows:

“(b) Any committee of Congress may inspect audits and reports of inspection made under subsection (a).”

**TITLE II. TRANSFER TO TITLE 10 OF PROVISIONS IN TITLE 5 RELATING TO ORGANIZATION OF DEPARTMENT OF DEFENSE**

10 USC 121-123.

SEC. 201. (a) Chapter 3 of title 10, United States Code, is amended by inserting after section 123:

**“§ 124. Combatant commands: establishment; composition; functions; administration and support**

“(a) With the advice and assistance of the Joint Chiefs of Staff, the President, through the Secretary of Defense, shall—

- “(1) establish unified combatant commands or specified combatant commands to perform military missions; and



“(2) shall prescribe the force structure of those commands.

“(b) The military departments shall assign forces to combatant commands established under this section to perform the missions of those commands. A force so assigned is under the full operational command of the commander of the command to which it is assigned. It may be transferred from the command to which it is assigned only by authority of the Secretary and under procedures prescribed by the Secretary with the approval of the President. A force not so assigned remains, for all purposes, in the military department concerned.

“(c) Combatant commands established under this section are responsible to the President and to the Secretary for such military missions as may be assigned to them by the Secretary with the approval of the President.

“(d) Subject to the authority, direction, and control of the Secretary, each military department is responsible for the administration of forces assigned by that department to combatant commands established under this section. The Secretary shall assign the responsibility for the support of forces assigned to those commands to one or more of the military departments.

**“§ 125. Functions, powers, and duties: transfer, reassignment, consolidation, or abolition**

“(a) Subject to section 401 of title 50, the Secretary of Defense shall take appropriate action (including the transfer, reassignment, consolidation, or abolition of any function, power, or duty) to provide more effective, efficient, and economical administration and operation, and to eliminate duplication, in the Department of Defense. However, except as provided by subsections (b) and (c), a function, power, or duty vested in the Department of Defense, or an officer, official, or agency thereof, by law may not be substantially transferred, reassigned, consolidated, or abolished unless the Secretary reports the details of the proposed transfer, reassignment, consolidation, or abolition to the Committees on Armed Services of the Senate and House of Representatives. The transfer, reassignment, consolidation, or abolition concerned takes effect on the first day after the expiration of the first 30 days that Congress is in continuous session after the Secretary so reports, unless either of those Committees, within that period, reports a resolution recommending that the proposed transfer, reassignment, consolidation, or abolition be rejected by the Senate or the House of Representatives, as the case may be, because it—

72 Stat. 514.

“(1) proposes to transfer, reassign, consolidate, or abolish a major combatant function, power, or duty assigned to the Army, Navy, Air Force, or Marine Corps by section 3062(b), 5012, 5013, or 8062(c) of this title; and

“(2) would, in its judgment, tend to impair the defense of the United States.

70A Stat. 166,  
277, 493.

If either of those Committees, within that period, reports such a resolution and it is not adopted by the Senate or the House of Representatives, as the case may be, within the first 40 days that Congress is in continuous session after that resolution is so reported, the transfer, reassignment, consolidation, or abolition concerned takes effect on the first day after the expiration of that forty-day period. For the purposes of this subsection, a session may be considered as not continuous only if broken by an adjournment of Congress sine die. However, in computing the period that Congress is in continuous session, days that the Senate or the House of Representatives is not in session because of an adjournment of more than three days to a day certain are not counted.

70A Stat. 166,  
277, 493.

“(b) Notwithstanding subsection (a), if the President determines it to be necessary because of hostilities or an imminent threat of hostilities, any function, power, or duty, including one assigned to the Army, Navy, Air Force, or Marine Corps by section 3062(b), 5012, 5013, or 8062(c) of this title, may be transferred, reassigned, or consolidated. The transfer, reassignment, or consolidation remains in effect until the President determines that hostilities have terminated or that there is no longer an imminent threat of hostilities, as the case may be.

“(c) Notwithstanding subsection (a), the Secretary of Defense may assign or reassign the development and operational use of new weapons or weapons systems to one or more of the military departments or one or more of the armed forces.

“(d) In subsection (a)(1), ‘major combatant function, power, or duty’ does not include a supply or service activity common to more than one military department. The Secretary of Defense shall, whenever he determines it will be more effective, economical, or efficient, provide for the performance of such an activity by one agency or such other organizations as he considers appropriate.

#### “§ 126. Transfer of funds and employees

“(a) When a function, power, or duty or an activity of a department or agency of the Department of Defense is transferred or assigned to another department or agency of that department, balances of appropriations that the Secretary of Defense determines are available and needed to finance or discharge that function, power, duty, or activity, as the case may be, may, with the approval of the President, be transferred to the department or agency to which that function, power, duty, or activity, as the case may be, is transferred, and used for any purpose for which those appropriations were originally available. Balances of appropriations so transferred shall—

“(1) be credited to any applicable appropriation account of the receiving department or agency; or

“(2) be credited to a new account that may be established on the books of the Department of the Treasury;

and be merged with the funds already credited to that account and accounted for as one fund. Balances of appropriations credited to an account under clause (1) are subject only to such limitations as are specifically applicable to that account. Balances of appropriations credited to an account under clause (2) are subject only to such limitations as are applicable to the appropriations from which they are transferred.

“(b) When a function, power, or duty or an activity of a department or agency of the Department of Defense is transferred to another department or agency of that department, those civilian employees of the department or agency from which the transfer is made that the Secretary of Defense determines are needed to perform that function, power, or duty, or for that activity, as the case may be, may, with the approval of the Director of the Bureau of the Budget, be transferred to the department or agency to which that function, power, duty, or activity, as the case may be, is transferred. The authorized strength in civilian employees of a department or agency from which employees are transferred under this section is reduced by the number of employees so transferred. The authorized strength in civilian employees of a department or agency to which employees are transferred under this section is increased by the number of employees so transferred.”

(b) Chapter 3 of title 10, United States Code, is further amended by adding at the end of the analysis: 10 USC 121-123.

"124. Combatant commands: establishment; composition; functions; administration and support.

"125. Functions, powers, and duties: transfer, reassignment, consolidation, or abolition.

"126. Transfer of funds and employees."

SEC. 202. Subtitle A of title 10, United States Code, is amended by adding after Chapter 3: 10 USC 101 et seq.

## **"CHAPTER 4.—DEPARTMENT OF DEFENSE**

"Sec.

"131. Executive department.

"132. Seal.

"133. Secretary of Defense: appointment; powers and duties; delegation by.

"134. Deputy Secretary of Defense: appointment; powers and duties; precedence.

"135. Director of Defense Research and Engineering: appointment; powers and duties; precedence.

"136. Assistant Secretaries of Defense: appointment; powers and duties; precedence.

"137. General Counsel: appointment; powers and duties.

### **"§ 131. Executive department**

"The Department of Defense is an executive department of the United States.

### **"§ 132. Seal**

"The Secretary of Defense shall have a seal for the Department of Defense. The design of the seal is subject to approval by the President. Judicial notice shall be taken of the seal.

### **"§ 133. Secretary of Defense: appointment; powers and duties; delegation by**

"(a) There is a Secretary of Defense, who is the head of the Department of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate. A person may not be appointed as Secretary of Defense within 10 years after relief from active duty as a commissioned officer of a regular component of an armed force.

"(b) The Secretary is the principal assistant to the President in all matters relating to the Department of Defense. Subject to the direction of the President and to this title and section 401 of title 50, he has authority, direction, and control over the Department of Defense.

"(c) The Secretary shall report annually in writing to the President and the Congress on the expenditures, work, and accomplishments of the Department of Defense during the period covered by the report, together with—

"(1) a report from each military department on the expenditures, work, and accomplishments of that department;

"(2) itemized statements showing the savings of public funds, and the eliminations of unnecessary duplications, made under section 125 of this title;

"(3) a report from the Reserve Forces Policy Board on the reserve programs of the Department of Defense, including a review of the effectiveness of chapters 51, 337, 361, 363, 549, 573, 837, 861, and 863 of this title, as far as they apply to reserve officers; and

"(4) such recommendations as he considers appropriate.

"(d) Unless specifically prohibited by law, the Secretary may, without being relieved of his responsibility, perform any of his functions or duties, or exercise any of his powers through, or with the aid of, such persons in, or organizations of, the Department of Defense as he may designate.

*Ante*, p. 515.

**“§ 134. Deputy Secretary of Defense: appointment; powers and duties; precedence**

“(a) There is a Deputy Secretary of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate. A person may not be appointed as Deputy Secretary of Defense within 10 years after relief from active duty as a commissioned officer of a regular component of an armed force.

“(b) The Deputy Secretary shall perform such duties and exercise such powers as the Secretary of Defense may prescribe. The Deputy Secretary shall act for, and exercise the powers of, the Secretary when the Secretary is absent or disabled.

“(c) The Deputy Secretary takes precedence in the Department of Defense immediately after the Secretary.

**“§ 135. Director of Defense Research and Engineering: appointment; powers and duties; precedence**

“(a) There is a Director of Defense Research and Engineering, appointed from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The Director performs such duties relating to research and engineering as the Secretary of Defense may prescribe, including—

“(1) being the principal adviser to the Secretary on scientific and technical matters;

“(2) supervising all research and engineering activities in the Department of Defense; and

“(3) directing, controlling, assigning, and reassigning research and engineering activities that the Secretary considers need centralized management.

“(c) The Director takes precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, and the Secretaries of the military departments.

**“§ 136. Assistant Secretaries of Defense: appointment; powers and duties; precedence**

“(a) There are seven Assistant Secretaries of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe. In addition, one of the Assistant Secretaries shall be the Comptroller of the Department of Defense and shall, subject to the authority, direction, and control of the Secretary—

“(1) advise and assist the Secretary in performing such budgetary and fiscal functions and duties, and in exercising such budgetary and fiscal powers, as are needed to carry out the powers of the Secretary;

“(2) supervise and direct the preparation of budget estimates of the Department of Defense;

“(3) establish and supervise the execution of principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to—

“(A) the preparation and execution of budgets;

“(B) fiscal, cost, operating, and capital property accounting;

“(C) progress and statistical reporting; and

“(D) internal audit;

“(4) establish and supervise the execution of policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

“(5) establish uniform terminologies, classifications, and procedures concerning matters covered by clauses (1)–(4).

“(c) Except as otherwise specifically provided by law, an Assistant Secretary may not issue an order to a military department unless—

“(1) the Secretary of Defense has specifically delegated that authority to him in writing; and

“(2) the order is issued through the Secretary of the military department concerned, or his designee.

“(d) In carrying out subsection (c) and sections 3010, 3012(b) (last two sentences), 5011 (first two sentences), 5031(a) (last two sentences), 8010, and 8012(b) (last two sentences) of this title, the Secretary of each military department, his civilian assistants, and members of the armed forces under the jurisdiction of his department shall cooperate fully with personnel of the Office of the Secretary of Defense to achieve efficient administration of the Department of Defense and to carry out effectively the authority, direction, and control of the Secretary of Defense.

*Post*, p. 524.

“(e) The Assistant Secretaries take precedence in the Department of Defense after the Secretary, the Deputy Secretary of Defense, the Secretaries of the military departments and the Director of Defense Research and Engineering.

#### “§ 137. General Counsel: appointment; powers and duties

“(a) There is a General Counsel of the Department of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

“(b) The General Counsel is the chief legal officer of the Department of Defense. He shall perform such functions as the Secretary of Defense may prescribe.

“(c) The General Counsel shall receive compensation at the rate prescribed by law for assistant secretaries of executive departments.”

SEC. 203. The chapter analysis of subtitle A and the chapter analysis of part I of subtitle A of title 10, United States Code, are amended by inserting the following new item:

10 USC 101 *et seq.*

“4. Department of Defense----- 131”

SEC. 204. Section 141 of title 10, United States Code, is amended by adding at the end:

70A Stat. 6.

“(e) After first informing the Secretary of Defense, a member of the Joint Chiefs of Staff may make such recommendations to Congress relating to the Department of Defense as he may consider appropriate.”

SEC. 205. (a) Chapter 41 of title 10, United States Code, is amended by adding after section 717:

10 USC 711-717.

#### “§ 718. Secretary of Defense: detail of officers to assist

“Officers of the armed forces may be detailed for duty as assistants or personal aides to the Secretary of Defense. However, the Secretary may not establish a military staff other than that established by section 141(a) of this title.”

“(b) Chapter 41 of title 10, United States Code, is further amended by adding at the end of the analysis:

“718. Secretary of Defense: detail of officers to assist.”

SEC. 206. (a) Chapter 81 of title 10, United States Code, is amended by inserting before section 1581:

10 USC 1581-1586.

#### “§ 1580. Appointment generally

“Subject to civil service laws, the Secretary of Defense may appoint, and fix the compensation of, such civilian employees as may be necessary to perform the functions and duties, and exercise the powers, of the Department of Defense, other than those of the military departments.”

10 USC 1581-1586.

(b) Chapter 81 of title 10, United States Code, is further amended by inserting at the beginning of the analysis:

"1580. Appointment generally."

10 USC 2202.

SEC. 207. (a) Chapter 131 of title 10, United States Code, is amended by adding after section 2202:

**"§ 2203. Budget estimates**

"To account for, and report, the cost of performance of readily identifiable functional programs and activities, with segregation of operating and capital programs, budget estimates of the Department of Defense shall be prepared, presented, and justified, where practicable, and authorized programs shall be administered, in such form and manner as the Secretary of Defense, subject to the authority and direction of the President, may prescribe. As far as practicable, budget estimates and authorized programs of the military departments shall be uniform and in readily comparable form.

**"§ 2204. Obligation of appropriations**

"To prevent overdrafts and deficiencies in the fiscal year for which appropriations are made, appropriations made to the Department of Defense or to a military department, and reimbursements thereto, are available for obligation and expenditure only under scheduled rates of obligation, or changes thereto, that have been approved by the Secretary of Defense. This section does not prohibit the Department of Defense from incurring a deficiency that it has been authorized by law to incur.

**"§ 2205. Availability of reimbursements**

"Reimbursements made to appropriations of the Department of Defense or a department or agency thereof under section 686 of title 31, or other amounts paid by or on behalf of a department or agency of the Department of Defense to another department or agency of the Department of Defense, or by or on behalf of personnel of any department or organization, for services rendered or supplies furnished, may be credited to authorized accounts. Funds so credited are available for obligation for the same period as the funds in the account so credited. Such an account shall be accounted for as one fund on the books of the Department of the Treasury.

47 Stat. 417.

**"§ 2206. Disbursement of funds of military department to cover obligation of another agency of Department of Defense**

"As far as authorized by the Secretary of Defense, a disbursing officer of a military department may, out of available advances, make disbursements to cover obligations in connection with any function, power, or duty of another department or agency of the Department of Defense and charge those disbursements on vouchers, to the appropriate appropriation of that department or agency. Disbursements so made shall be adjusted in settling the accounts of the disbursing officer.

**"§ 2207. Expenditure of appropriations: limitation**

"Money appropriated to the Department of Defense may not be spent under a contract other than a contract for personal services unless that contract provides that—

"(1) the United States may, by written notice to the contractor, terminate the right of the contractor to proceed under the contract if the Secretary concerned or his designee finds, after notice and hearing, that the contractor, or his agent or other representative, offered or gave any gratuity, such as entertainment or a gift, to an officer, official, or employee of the United States to obtain a contract or favorable treatment in the awarding, amending, or

making of determinations concerning the performance, of a contract; and

“(2) if a contract is terminated under clause (1), the United States has the same remedies against the contractor that it would have had if the contractor had breached the contract and, in addition to other damages, is entitled to exemplary damages in an amount at least three, but not more than 10, as determined by the Secretary or his designee, times the cost incurred by the contractor in giving gratuities to the officer, official, or employee concerned.

The existence of facts upon which the Secretary makes findings under clause (1) may be reviewed by any competent court.

#### “§ 2208. Working-capital funds

“(a) To control and account more effectively for the cost of programs and work performed in the Department of Defense, the Secretary of Defense may require the establishment of working-capital funds in the Department of Defense to—

“(1) finance inventories of such supplies as he may designate; and

“(2) provide working capital for such industrial-type activities, and such commercial-type activities that provide common services within or among departments and agencies of the Department of Defense, as he may designate.

“(b) Upon the request of the Secretary of Defense, the Secretary of the Treasury shall establish working-capital funds established under this section on the books of the Department of the Treasury.

“(c) Working-capital funds shall be charged, when appropriate, with the cost of—

“(1) supplies that are procured or otherwise acquired, manufactured, repaired, issued, or used; and

“(2) services or work performed;

including applicable administrative expenses, and be reimbursed from available appropriations or otherwise credited for those costs, including applicable administrative expenses and costs of using equipment.

“(d) The Secretary of Defense may provide capital for working-capital funds by capitalizing inventories. If this method does not, in the determination of the Secretary of Defense, provide adequate amounts of working capital, such amounts as may be necessary may be appropriated for that purpose.

“(e) Subject to the authority and direction of the Secretary of Defense, the Secretary of each military department shall allocate responsibility for its functions, powers, and duties to accomplish the most economical and efficient organization and operation of the activities, and the most economical and efficient use of the inventories, for which working-capital funds are authorized by this section.

“(f) The requisitioning agency may not incur a cost for supplies drawn from inventories, or services or work performed by industrial-type or commercial-type activities for which working-capital funds may be established under this section, that is more than the amount of appropriations or other funds available for those purposes.

“(g) The appraised value of supplies returned to working-capital funds by a department, activity, or agency may be charged to that fund. The proceeds thereof shall be credited to current applicable appropriations and are available for expenditure for the same purposes that those appropriations are so available. Credits may not be made to appropriations under this subsection as the result of capitalization of inventories under subsection (d).

“(h) The Secretary of Defense shall prescribe regulations governing the operation of activities and use of inventories authorized by

this section. The regulations may, if the needs of the Department of Defense require it and it is otherwise authorized by law, authorize supplies to be sold to, or services to be rendered or work performed for, persons outside the Department of Defense. Working-capital funds shall be reimbursed for supplies so sold, services so rendered, or work so performed by charges to applicable appropriations or payments received in cash.

“(i) Reports annually shall be made to the President and to Congress on the condition and operation of working-capital funds established under this section.

**“§ 2209. Management funds**

“(a) To conduct economically and efficiently the operations of the Department of Defense that are financed by at least two appropriations but whose costs cannot be immediately distributed and charged to those appropriations, there is the Army Management Fund, the Navy Management Fund, and the Air Force Management Fund, each within its respective department and under the direction of the Secretary of that department. Each such fund shall consist of a corpus of \$1,000,000 and such amounts as may be appropriated thereto from time to time. An account for an operation that is to be financed by such a fund may be established only with the approval of the Secretary of Defense.

“(b) Under such regulations as the Secretary of Defense may prescribe, expenditures may be made from a management fund for material (other than for stock), personal services, and services under contract. However, obligation may not be incurred against that fund if it is not chargeable to funds available under an appropriation of the department concerned or funds of another department or agency of the Department of Defense. The fund shall be promptly reimbursed from those funds for expenditures made from it.

“(c) Notwithstanding any other provision of law, advances, by check or warrant, or reimbursements, may be made from available appropriations to a management fund on the basis of the estimated cost of a project. As adequate data becomes available, the estimated cost shall be revised and necessary adjustments made. Final adjustment shall be made with the appropriate funds for the fiscal year in which the advances or reimbursements are made. Except as otherwise provided by law, amounts advanced to management funds are available for obligation only during the fiscal year in which they are advanced.

**“§ 2210. Proceeds of sales of supplies: credit to appropriations**

“(a) Current applicable appropriations of the Department of Defense may be credited with proceeds of the disposals of supplies that are not financed by stock funds established under section 2208 of this title.

“(b) Obligations may, without regard to fiscal year limitations, be incurred against anticipated reimbursements to stock funds in such amounts and for such period as the Secretary of Defense, with the approval of the Director of the Bureau of the Budget, may determine to be necessary to maintain stock levels consistently with planned operations for the next fiscal year.

**“§ 2211. Reimbursement for equipment, material, or services furnished members of the United Nations**

“Amounts paid by members of the United Nations for equipment or materials furnished, or services performed, in joint military operations shall be credited to appropriate appropriations of the Department of Defense in the manner authorized by section 2392(d) of title 22.”



(b) Chapter 131 of title 10, United States Code, is further amended by adding at the end of the analysis:

- "2203. Budget estimates.
- "2204. Obligation of appropriations.
- "2205. Availability of reimbursements.
- "2206. Disbursement of funds of military department to cover obligation of another agency of Department of Defense.
- "2207. Expenditure of appropriations: limitation.
- "2208. Working-capital funds.
- "2209. Management funds.
- "2210. Proceeds of sales of supplies: credit to appropriations.
- "2211. Reimbursement for equipment, material, or services furnished members of the United Nations."

SEC. 208. (a) Chapter 139 of title 10, United States Code, is amended by adding after section 2357: 10 USC 2352-2357.

**"§ 2358. Research projects**

"Subject to approval by the President, the Secretary of Defense or his designee may engage in basic and applied research projects that are necessary to the responsibilities of the Department of Defense in the field of basic and applied research and development and that relate to weapons systems and other military needs. Subject to approval by the President, the Secretary or his designee may perform assigned research and development projects—

"(1) by contract with educational or research institutions, private businesses, or other agencies of the United States;

"(2) through one or more of the military departments; or

"(3) by using employees and consultants of the Department of Defense."

(b) Chapter 139 of title 10, United States Code, is further amended by adding at the end of the analysis:

"2358. Research projects."

SEC. 209. (a) Chapter 159 of title 10, United States Code, is amended by adding after section 2680:

*Ante*, p. 511.

**"§ 2681. Construction or acquisition of family housing and community facilities in foreign countries**

"(a) In addition to family housing and to community facilities that otherwise may be constructed or acquired by the Department of Defense, the Secretary of Defense may, with the approval of the Director of the Bureau of the Budget, construct, or acquire by lease or otherwise, family housing to be occupied as public quarters, and community facilities, in foreign countries by using foreign currencies that have a value of not more than \$250,000,000 and that were acquired under sections 1691-1724 of title 7 or through other commodity transactions of the Commodity Credit Corporation.

68 Stat. 454.

"(b) The Department of Defense shall pay the Commodity Credit Corporation, from appropriations otherwise available for payment of quarters allowances for members of the armed forces and from appropriate allotments or rental charges for civilian employees, amounts equal to quarters allowances or allotments otherwise payable to, or rental charges collected from, persons occupying housing constructed or acquired under this section, less amounts equal to the costs of maintenance and operation of that housing. However, the total payments so made may not be more than the dollar value of the foreign currencies used for housing constructed or acquired under this section.

"(c) The Secretary of Defense shall report to the Committees on Armed Services of the Senate and House of Representatives on the fifteenth day of January, April, July, and October of each year—

"(1) the cost, number, and location of housing units constructed or acquired under this section during the three-month period covered by the report; and

“(2) the cost, number, and location of housing units that are intended to be constructed or acquired under this section during the following three-month period.”

10 USC 2661-  
2680.

(b) Chapter 159 of title 10, United States Code, is further amended by adding at the end of the analysis:

“2681. Construction or acquisition of family housing and community facilities in foreign countries.”

10 USC 3011-  
3018.

SEC. 210. (a) Chapter 303 of title 10, United States Code, is amended by inserting before section 3011:

**“§ 3010. Organization**

“The Department of the Army is separately organized under the Secretary of the Army. It operates under the authority, direction, and control of the Secretary of Defense.”

(b) Chapter 303 of title 10, United States Code, is further amended by inserting at the beginning of the analysis:

“3010. Organization.”

70A Stat. 157,  
278, 488.

SEC. 211. Sections 3012(b), 5031(a), and 8012(b) of title 10, United States Code, are amended by adding the following at the end thereof: “The Secretary is responsible to the Secretary of Defense for the operation and efficiency of the Department. After first informing the Secretary of Defense, the Secretary may make such recommendations to Congress relating to the Department of Defense as he may consider appropriate.”

70A Stat. 277.

SEC. 212. The first sentence of section 5011 of title 10, United States Code, is amended to read as follows: “The Department of the Navy is separately organized under the Secretary of the Navy. It operates under the authority, direction, and control of the Secretary of Defense. It is composed of the executive part of the Department of the Navy; the Headquarters, United States Marine Corps; the entire operating forces, including naval aviation, of the United States Navy and of the United States Marine Corps, and the reserve components of those operating forces; and all field activities, headquarters, forces, bases, installations, activities, and functions under the control or supervision of the Secretary of the Navy.”

10 USC 8011-  
8018.

SEC. 213. (a) Chapter 803 of title 10, United States Code, is amended by inserting before section 8011:

**“§ 8010. Organization**

“The Department of the Air Force is separately organized under the Secretary of the Air Force. It operates under the authority, direction, and control of the Secretary of Defense.”

(b) Chapter 803 of title 10, United States Code, is further amended by inserting at the beginning of the analysis:

“8010. Organization.”

### TITLE III—TECHNICAL PROVISIONS

#### AMENDMENT TO UNIVERSAL MILITARY TRAINING AND SERVICE ACT

70A Stat. 630.

SEC. 301. Section 4(d) (3) of the Universal Military Training and Service Act, as amended (50 App. U.S.C. 454(d) (3)), is amended to read as follows:

“(3) Each person who, subsequent to June 19, 1951, and on or before August 9, 1955, is inducted, enlisted, or appointed, under any provision of law, in the Armed Forces, including the reserve components thereof, or in the National Security Training Corps, prior to attaining the twenty-sixth anniversary of his birth, shall be required to serve on active training and service in the Armed Forces or in training in the National Security Training Corps,

and in a reserve component, for a total period of eight years, unless sooner discharged on the grounds of personal hardship, in accordance with regulations and standards prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard). Each such person, on release from active training and service in the Armed Forces or from training in the National Security Training Corps, if physically and mentally qualified, shall be transferred to a reserve component of the Armed Forces, and shall serve therein for the remainder of the period which he is required to serve under this paragraph and shall be deemed to be a member of the reserve component during that period. If the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or the Secretary of the Treasury with respect to the United States Coast Guard, determines that enlistment, enrollment, or appointment in, or assignment to, an organized unit of a reserve component or an officers' training program of the armed force in which he served is available to, and can, without undue personal hardship, be filled by such a person, that person shall enlist, enroll, or accept appointment in, or accept assignment to, the organized unit or officers' training program, and serve satisfactorily therein."

SEPARATION PAY OR READJUSTMENT PAY FOR RESERVES ON ACTIVE DUTY  
ON JULY 9, 1956

SEC. 302. A member of a reserve component who was serving on active duty on July 9, 1956, under an agreement entered into under section 235 of the Armed Forces Reserve Act of 1952 (66 Stat. 491), if he is involuntarily released from active duty before the expiration of that agreement, may elect to receive either—

70A Stat. 682.  
50 USC 963.

- (1) the separation pay provided by that section; or
- (2) any readjustment payment to which he is entitled under section 687 of title 10, United States Code.

*Ante*, p. 507.

RESOLUTIONS RELATING TO TRANSFERS, REASSIGNMENTS, CONSOLIDATIONS,  
OR ABOLITIONS OF COMBATANT FUNCTIONS UNDER SECTION 125 OF TITLE  
10, UNITED STATES CODE

SEC. 303. (a) For the purposes of this section, any resolution reported to the Senate or the House of Representatives pursuant to the provisions of section 125 of title 10, United States Code, shall be treated for the purpose of consideration by either House, in the same manner as a resolution with respect to a reorganization plan reported by a committee within the meaning of the Reorganization Act of 1949 as in effect on July 1, 1958 (5 U.S.C. 133z and the following), and shall be governed by the provisions applicable to the consideration of any such resolution by either House of the Congress as provided by sections 205 and 206 of that Act.

*Ante*, p. 515.

63 Stat. 203.

(b) The provisions of this section are enacted by the Congress—

(1) as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, and supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (as far as relating to the procedure in that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

SEC. 308. The analysis of chapter 13 of title 14, United States Code, 14 USC 461-511. is amended by striking out the following item:

"471a. Motor vehicles; transportation on permanent change of station."

Approved September 7, 1962.

## Public Law 87-652

### AN ACT

To authorize the Secretary of the Interior to convey certain lands in the State of Maryland to the Prince Georges County Hospital, and for other purposes.

September 10, 1962  
[H. R. 7782]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to convey to the Prince Georges County Hospital, upon payment of 50 per centum of the fair market value as determined by the Secretary plus the cost of making the conveyance, all right, title, and interest of the United States of America in and to the following described parcel of land which comprises a portion of the Baltimore-Washington Parkway, being situated in Prince Georges County, Maryland:

Maryland.  
Prince Georges  
County Hospital.  
Land convey-  
ance.

Beginning at a stone at the end of the second line of tract numbered 121, a conveyance from Einar Mortenson and Vera Mortenson to the United States of America recorded in liber 794, folio 197, among the land records of Prince Georges County, Maryland;

thence with the third line of said conveyance, south 18 degrees 18 minutes 50 seconds west 439.37 feet to a stone, a corner common to the United States of America and Prince Georges County Hospital properties and formerly a corner common to the properties of Prince Georges County Hospital, Einar and Vera Mortenson and Elbertie Foudray;

thence with the second line of tract numbered 120-B, a conveyance from Elbertie Foudray to the United States of America recorded in liber 794, folio 197, among the land records of Prince Georges County, Maryland, south 21 degrees 31 minutes 10 seconds west 230.54 feet to an iron pipe a corner common to the United States of America, Prince Georges County Hospital and now or formerly Louis and William Smallwood properties and formerly a corner common to the properties of Prince Georges County Hospital, Louis and William Smallwood and Elbertie Foudray;

thence with the third line of tract numbered 120-B, north 88 degrees 04 minutes 30 seconds west 431.10 feet to an iron pipe, a corner common to the United States of America and now or formerly Louis and William Smallwood properties and formerly a corner common to the properties of Louis and William Smallwood and Elbertie Foudray;

thence through the lands of the United States of America, formerly the lands of Elbertie Foudray and Einar Mortenson and Vera Mortenson, north 46 degrees 38 minutes 27 seconds east 898.82 feet to the point of beginning, and containing 3.225620 acres, more or less and as shown on the plat bearing drawing numbered NCP 123-395, dated May 22, 1961, and filed among the land records of National Capital Parks.

Approved September 10, 1962.

## Public Law 87-653

## AN ACT

September 10, 1962  
[H. R. 5532]

To amend chapter 137, of title 10, United States Code, relating to procurement.

Armed Forces.  
Procurement.

70A Stat. 128.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 10 of the United States Code is hereby amended as follows:

(a) Subsection 2304(a) is amended to read as follows:

“(a) Purchases of and contracts for property or services covered by this chapter shall be made by formal advertising in all cases in which the use of such method is feasible and practicable under the existing conditions and circumstances. If use of such method is not feasible and practicable, the head of an agency, subject to the requirements for determinations and findings in section 2310, may negotiate such a purchase or contract, if—”.

(b) Subsection 2304(a)(14) is amended to read as follows:

“(14) the purchase or contract is for technical or special property that he determines to require a substantial initial investment or an extended period of preparation for manufacture, and for which he determines that formal advertising would be likely to result in additional cost to the Government by reason of duplication of investment or would result in duplication of necessary preparation which would unduly delay the procurement of the property;”.

(c) Section 2304 is amended by adding a new subsection as follows:

“(g) In all negotiated procurements in excess of \$2,500 in which rates or prices are not fixed by law or regulation and in which time of delivery will permit, proposals shall be solicited from the maximum number of qualified sources consistent with the nature and requirements of the supplies or services to be procured, and written or oral discussions shall be conducted with all responsible offerors who submit proposals within a competitive range, price, and other factors considered: *Provided, however,* That the requirements of this subsection with respect to written or oral discussions need not be applied to procurements in implementation of authorized set-aside programs or to procurements where it can be clearly demonstrated from the existence of adequate competition or accurate prior cost experience with the product, that acceptance of an initial proposal without discussion would result in fair and reasonable prices and where the request for proposals notifies all offerors of the possibility that award may be made without discussion.”

(d) The second sentence of subsection 2306(a) is amended by substituting “(f)” for “(e)”.

(e) Section 2306 is amended by adding a new subsection as follows:

“(f) A prime contractor or any subcontractor shall be required to submit cost or pricing data under the circumstances listed below, and shall be required to certify that, to the best of his knowledge and belief, the cost or pricing data he submitted was accurate, complete and current—

“(1) Prior to the award of any negotiated prime contract under this title where the price is expected to exceed \$100,000;

“(2) Prior to the pricing of any contract change or modification for which the price adjustment is expected to exceed \$100,000, or such lesser amount as may be prescribed by the head of the agency;

“(3) Prior to the award of a subcontract at any tier, where the prime contractor and each higher tier subcontractor have been required to furnish such a certificate, if the price of such subcontract is expected to exceed \$100,000; or

"(4) Prior to the pricing of any contract change or modification to a subcontract covered by (3) above, for which the price adjustment is expected to exceed \$100,000, or such lesser amount as may be prescribed by the head of the agency.

"Any prime contract or change or modification thereto under which such certificate is required shall contain a provision that the price to the Government, including profit or fee, shall be adjusted to exclude any significant sums by which it may be determined by the head of the agency that such price was increased because the contractor or any subcontractor required to furnish such a certificate, furnished cost or pricing data which, as of a date agreed upon between the parties (which date shall be as close to the date of agreement on the negotiated price as is practicable), was inaccurate, incomplete, or noncurrent: *Provided*, That the requirements of this subsection need not be applied to contracts or subcontracts where the price negotiated is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, prices set by law or regulation or, in exceptional cases where the head of the agency determines that the requirements of this subsection may be waived and states in writing his reasons for such determination."

(f) The first sentence of subsection 2310(b) is amended to read as follows:

70A Stat. 132.

"Each determination or decision under clauses (11)–(16) of section 2304(a), section 2306(c), or section 2307(c) of this title and a decision to negotiate contracts under clauses (2), (7), (8), (10), (12), or for property or supplies under clause (11) of section 2304(a), shall be based on a written finding by the person making the determination or decision, which finding shall set out facts and circumstances that (1) are clearly illustrative of the conditions described in clauses (11)–(16) of section 2304(a), (2) clearly indicate why the type of contract selected under section 2306(c) is likely to be less costly than any other type or that it is impracticable to obtain property or services of the kind or quality required except under such a contract, (3) clearly indicate why advance payments under section 2307(c) would be in the public interest, or (4) clearly and convincingly establish with respect to the use of clauses (2), (7), (8), (10), (12), and for property or supplies under clause (11) of section 2304(a), that formal advertising would not have been feasible and practicable."

72 Stat. 967.

(g) Section 2311 is amended to read as follows:

70A Stat. 132.

### § 2311. Delegation

"The head of an agency may delegate, subject to his direction, to any other officer or official of that agency, any power under this chapter except the power to make determinations and decisions under clauses (11)–(16) of section 2304(a) of this title. However, the power to make a determination or decision under section 2304(a) (11) of this title may be delegated to any other officer or official of that agency who is responsible for procurement, and only for contracts requiring the expenditure of not more than \$100,000."

(h) The amendments made by this Act shall take effect on the first day of the third calendar month which begins after the date of enactment of this Act.

Effective date.

Approved September 10, 1962.

## Public Law 87-654

September 10, 1962  
[H. R. 7278]

## AN ACT

To amend the Act of June 5, 1952, so as to remove certain restrictions on the real property conveyed to the Territory of Hawaii by the United States under authority of such Act.

Hawaii.  
Certain real  
property restric-  
tions, removal.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That clause (a) of section 2 of the Act entitled "An Act to authorize the Secretary of the Navy to convey to the Territory of Hawaii certain real property at Kahului, Wailuku, Maui, Territory of Hawaii", approved June 5, 1952 (66 Stat. 128), is amended by striking out "That particular structures or parcels not suitable for airport purposes may be leased for other purposes with the consent of the Secretary of the Navy" and by inserting in lieu thereof the following: "That particular structures and parcels of land not required or used for airport purposes may be sold, exchanged, or leased by the State of Hawaii with the consent of the Secretary of the Navy and the Administrator of the Federal Aviation Agency: *Provided further,* That the proceeds from any sale or lease, or the property received in any exchange, authorized by this section, shall be used for airport purposes".

SEC. 2. Such Act is further amended by adding at the end thereof a new section as follows:

Relinquishment  
of title by U.S.

"SEC. 3. In order that the State of Hawaii may convey good and clear title to any parcel of land conveyed by it under the exchange authority prescribed in clause (a) of section 2 of this Act, the Secretary of the Navy is authorized to relinquish to the State of Hawaii any right, title, and interest of the United States in and to such parcel free of any conditions set forth in section 2 on condition that the State of Hawaii agree, with respect to any lands received by such State in exchange for such parcel, to convey to the United States rights and interests substantially equal to those held by the United States in the lands originally conveyed by it to such State (then a Territory) under this Act, and such other rights and interests as the Secretary may deem necessary in the public interest."

SEC. 3. The Secretary of the Navy shall execute such conveyance or other instrument in writing as may be necessary to carry out the amendment made by the first section of this Act.

Approved September 10, 1962.

## Public Law 87-655

September 10, 1962  
[S. 1308]

## AN ACT

To incorporate the Naval Sea Cadet Corps.

Naval Sea Cadet  
Corps.  
Incorporation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following named persons: John J. Bergen, William J. Catlett, Junior, Morgan Fitch, George Halas, John S. Leahy, Junior, and J. Paull Marshall; members of the Navy League National Sea Cadet Committee and their associates and successors, are hereby created and declared to be a body corporate by the name of the Naval Sea Cadet Corps (hereinafter referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

## OBJECTS AND PURPOSES OF THE CORPORATION

SEC. 2. The objects and the purposes of the corporation shall be, through organization and cooperation with the Department of the Navy, to encourage and aid American boys to develop an interest and skill in basic seamanship and in its naval adaptations, to train them in seagoing skills and to teach them patriotism, courage, self-reliance, and kindred virtues.

## COMPLETION OF ORGANIZATION

SEC. 3. The persons named in the first section, their associates and successors are hereby authorized to complete the organization of the corporation by the selection of officers, the adoption of a constitution and bylaws, the promulgation of rules or regulations that may be necessary for the accomplishment of the purposes of this corporation, and the doing of such other acts as may be necessary for such purposes.

## CORPORATE POWERS

SEC. 4. The corporation shall have power—

- (1) to have succession by its corporate name;
- (2) to sue and be sued, complain and defend in any court of competent jurisdiction;
- (3) to adopt, use, and alter a corporate seal;
- (4) to choose such officers, managers, agents, and employees as the business of the corporation may require;
- (5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;
- (6) to contract and be contracted with;
- (7) to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm or individual and to hold any property, real, personal or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;
- (8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal, or mixed property; and
- (9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge or otherwise, subject in every case to all applicable provisions of Federal and State laws.

## PRINCIPAL OFFICE, SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in Tacoma, Washington, or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, territories, and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.



## MEMBERSHIP

SEC. 6. Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this title, be determined as the constitution and bylaws of the corporation may provide.

## BOARD OF DIRECTORS: COMPOSITION, RESPONSIBILITIES

SEC. 7. (a) Upon the enactment of this title and for not more than one year thereafter, the membership of the initial board of directors of the corporation shall consist of the present members of the board of directors of the Sea Cadet Corps of America, the corporation described in section 17 of this Act, or such of them as may then be living and are qualified members of said board of directors, to wit: John J. Bergen, William J. Catlett, Junior, Morgan Fitch, George Halas, John S. Leahy, Junior, and J. Paull Marshall.

(b) Thereafter, the board of directors of the corporation shall consist of such number (not less than ten and not more than twenty-five), shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation, and shall be responsible for the general policies and program of the corporation and for the control of all funds of the corporation.

## OFFICERS; ELECTION AND DUTIES OF OFFICERS

SEC. 8. (a) The officers of the corporation shall be a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and such other officers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

## USE OF INCOME: LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

## NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

## LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

## PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

## BOOKS AND RECORDS: INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors, and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

## AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) The accounts of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

Report to Congress.

## USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 15. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

## EXCLUSIVE RIGHT TO NAME, EMBLEM, SEALS, AND BADGES

SEC. 16. The corporation shall have the sole and exclusive right to the name "Naval Sea Cadet Corps" and to have and to use in carrying out its purposes, distinctive insignia, emblems and badges, descriptive or designating marks, and words or phrases, as may be required in

the furtherance of its functions. No powers or privileges hereby granted shall, however, interfere or conflict with established or vested rights.

#### TRANSFER OF ASSETS

SEC. 17. The corporation may acquire the assets of the Sea Cadet Corps of America, a corporation organized under the laws of the State of Washington, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the State of Washington applicable thereto.

#### ANNUAL REPORT

Report to Congress.

SEC. 18. The corporation shall report annually to the Secretary of the Navy concerning its proceedings and activities for the preceding calendar years. The Secretary of the Navy shall communicate to Congress the whole of such reports, or such portion thereof as he shall see fit.

#### RESERVATION OF RIGHT TO AMEND OR REPEAL CHAPTER

SEC. 19. The right to alter, amend, or repeal this title is expressly reserved.

Approved September 10, 1962.

### Public Law 87-656

September 10, 1962  
[S. 2321]

#### AN ACT

To encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating antemortem and postmortem donations of human tissue for tissue bank purposes, and for other purposes.

District of Columbia Tissue Bank Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "District of Columbia Tissue Bank Act".

SEC. 2. STATEMENT OF POLICY AND PURPOSE.—Because of the rapid medical progress in the field of tissue preservation, tissue transplantation, and tissue culture, and because it is in the public interest to aid the development of this field of medicine, it is the policy and purpose of Congress in enacting this Act to encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by providing for the licensing and regulation of tissue banks, and by facilitating antemortem and postmortem authorizations for donations of tissue.

SEC. 3. DEFINITIONS.—For the purposes of this Act, except where the context indicates a different meaning—

"Commissioners" means the Commissioners of the District of Columbia or their designated agent.

"Donor" means any person who, in accordance with the provisions of this Act, bequeaths or donates his tissue for removal after death in furtherance of the purposes of this Act, and also means any deceased person whose tissue is donated or disposed of for the purposes of this Act.

"Tissue" means any portion of the body of a dead human.

"Tissue bank" means a facility for procuring, removing, and disposing of portions of bodies of dead humans for the purposes of reconstructive medicine and surgery, and research and teaching in reconstructive medicine and surgery.

SEC. 4. TISSUE BANK LICENSES AND REGULATIONS.—(a) No person shall operate any tissue bank in the District of Columbia without a valid license issued pursuant to this Act. No such license shall be issued except to persons duly licensed or duly registered as physicians under the Healing Arts Practice Act of the District of Columbia (45 Stat. 1326; title 2, ch. 1, D.C. Code, 1951 ed.) or to persons holding valid licenses to operate and maintain hospitals for humans pursuant to the Act entitled "An Act to regulate the establishment and maintenance of private hospitals and asylums in the District of Columbia", approved April 20, 1908 (35 Stat. 64; D.C. Code, 1951 ed., title 32, ch. 3).

(b) The Commissioners are authorized, after public hearing, to adopt and promulgate rules and regulations prescribing, without limitation, (1) the terms and conditions under which a tissue bank license may be issued and renewed; (2) the fees to be paid for the issuance and renewal of such licenses; (3) the duration of such licenses; (4) the grounds for suspension and revocation of such licenses; (5) the operation of tissue banks; (6) the conditions under which tissue may be processed, preserved, stored, and transported; and (7) the making, keeping, and disposition of records by tissue banks or by other persons processing, preserving, storing, or transporting tissue.

Rules and regu-  
lations.

(c) The Commissioners may, after notice and hearing, deny, suspend, or revoke any tissue bank license issued or applied for pursuant to this Act.

(d) Any person aggrieved by any final decision or final order of the Commissioners denying, suspending, or revoking any tissue bank license or renewal thereof, issued or applied for under this Act, may obtain a review of such decision or order in the municipal court of appeals for the District of Columbia, and may seek review by the United States Court of Appeals for the District of Columbia of any judgment of the municipal court of appeals entered pursuant to its review of any such decision or order, all in accordance with subsection (f) of section 7 of the Act approved April 1, 1942, as added by the Act approved August 31, 1954 (68 Stat. 1048; sec. 11-772, D.C. Code, 1951 ed.).

(e) Except with respect to the provisions as to licensing, the provisions of this Act, and the regulations made pursuant thereto, shall apply to Federal agencies situated in the District of Columbia, and to District of Columbia agencies.

SEC. 5. PENALTIES.—Any person violating any provision of this Act, or any regulation made pursuant to this Act, shall be fined not more than \$300, or be imprisoned for not more than ninety days. Prosecution for violations of this Act and regulations made pursuant thereto shall be brought in the name of the District of Columbia.

SEC. 6. DONATION OF TISSUE.—(a) Any person who, under the law of the District of Columbia, has capacity to make a valid will, may by will, codicil, or any written statement donate his tissue for the purposes of this Act. Any person who, in accordance with this Act, donates his tissue may, but shall not be required to, designate the purpose for which his tissue is to be used. Any physician or hospital validly operating a tissue bank shall have full authority to take the tissue so donated and use the same for the purposes enumerated in this Act.

(b) No particular words shall be required for such person to donate his tissue, but any will, codicil, or written statement shall be liberally construed to effectuate the intent and purpose of the person desiring to donate his tissue for any purpose authorized by this Act. If, pursuant to this section or section 7, a person donates tissue by a written statement other than by a will or codicil, such statement shall be signed by him and be witnessed by two persons of legal age.

(c) A provision in any will, codicil, or written statement which donates tissue as provided by this Act shall become effective immediately upon the death of the testator or donor, and shall constitute the authority for any physician or hospital validly operating a tissue bank to remove said tissue.

SEC. 7. TISSUE DONATIONS BY THOSE HAVING RIGHT TO BODY.—Any person having the right to a body for the purpose of burial may by a written statement donate any tissue from such body to any tissue bank, and in such written statement may designate the purpose or purposes for which such tissue is to be used. Such writing shall constitute full authority for the tissue bank to use such tissue for the purposes of this Act.

SEC. 8. PERSONS ENTITLED TO THE BODY.—For the purposes of this Act, the order of priority in which persons are entitled to the body for burial and who may donate tissue therefrom shall be the following:

(a) The surviving spouse.

(b) If there be no surviving spouse, or if the surviving spouse is incompetent, unavailable, or does not claim the body for burial, then an adult child, a parent, an adult brother, or an adult sister of the decedent. Any one of such persons may make such donation: *Provided*, That tissue shall not be removed pursuant to a donation made by any one of such persons designated in this subsection if, before such tissue is removed, any one of such persons shall, in writing, notify the tissue bank which is to remove the tissue that he objects to such removal.

(c) Any person whom the deceased during his lifetime designated by written instrument to take charge of his body for burial.

(d) The person or agency who or which assumes custody of the body for burial, in any case in which the person designated as provided in paragraph (c) or all of the persons mentioned in paragraph (a) or (b) of this section have failed to claim the body.

SEC. 9. OFFICE OF THE CORONER.—(a) The Commissioners are authorized to appoint such number of licensed physicians as they deem appropriate to perform such of the functions of the Coroner of the District of Columbia as the Commissioners shall prescribe. The Commissioners are authorized to fix the compensation of such physicians at a rate or rates not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended. The Commissioners are further authorized, in their discretion, to accept the services of such physicians without compensation.

(b) The Coroner of the District of Columbia may, in his discretion, allow tissue to be removed from any dead human body in his custody or under his jurisdiction: *Provided*, That such tissue removal shall not interfere with other functions of the Office of the Coroner: *Provided further*, That the person who, in accordance with section 8 of this Act, is entitled to the body for burial, shall first authorize such tissue removal.

SEC. 10. MOVEMENT AND DISPOSITION OF TISSUE BY TISSUE BANKS.—Sections 675 and 676 of the Act entitled "An Act to establish a code of laws for the District of Columbia", approved March 3, 1901 (31 Stat. 1296), as amended by the first section of the Act approved September 22, 1950 (64 Stat. 904; sec. 27-119a, D.C. Code, 1951 ed.), are amended (a) by striking, in the first sentence of such sections, the

words "remove, transport,"; (b) by inserting immediately after "designate," in such first sentence the following: "or to remove from place to place, or transport, the dead body, or any part thereof, of a human being, except"; and (c) by inserting immediately after such first sentence of such sections the following: "Notwithstanding the provisions of the preceding sentence, the Commissioners may, in their discretion, by regulation authorize (a) tissue banks operating pursuant to the District of Columbia Tissue Bank Act or (b) other persons subject to regulations made pursuant to such Act, or both, to remove, transport, and dispose of tissue taken from such dead body without such permit."

SEC. 11. REMOVAL OF TISSUE IMMEDIATELY AFTER DEATH.—Section 683 of the Act entitled "An Act to establish a code of laws for the District of Columbia", approved March 3, 1901 (31 U.S.C. 1298; sec. 27-125, D.C. Code, 1951 ed.), is amended by adding at the end thereof the following: "Notwithstanding the provisions of this section, whenever any person is pronounced dead by a physician duly licensed or duly registered under the Healing Arts Practice Act of the District of Columbia (45 Stat. 1326; title 2, ch. 1, D.C. Code, 1951 ed.), tissue donated in accordance with the provisions of the District of Columbia Tissue Bank Act may be removed by or under the supervision of a person licensed under the authority of section 4 of such Act for preservation in a tissue bank operating pursuant to such Act, without regard for any time limitation, or for any permit or certificate requirement, established by this section: *Provided*, That with respect to a dead human body in the custody of the Coroner or under his jurisdiction, no tissue shall be removed therefrom for preservation except with the specific approval of the Coroner in each case."

31 Stat. 1298.

SEC. 12. EXEMPTION OF LICENSED UNDERTAKERS FROM ACT.—Nothing in this Act shall be construed (1) to prohibit undertakers licensed pursuant to paragraph 44A of section 7 of the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended (61 Stat. 711; sec. 47-2344a, D.C. Code, 1951 ed.), from discharging their duties, or (2) to prohibit or affect in any way the authority, duties, rights, or obligations vested, imposed, or granted by the Act entitled "An Act for the promotion of anatomical science and to prevent the desecration of graves in the District of Columbia", approved April 29, 1902 (32 Stat. 173, D.C. Code, 1951 ed., title 2, ch. 2).

SEC. 13. COORDINATION OF ACT WITH REORGANIZATION PLAN NO. 5.—Nothing in this Act shall be construed so as to affect the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners may be delegated by said Board of Commissioners in accordance with section 3 of such plan.

D. C. Code, title  
1 app.

SEC. 14. EFFECTIVE DATE.—This Act, except section 4, shall take effect upon approval. Section 4 shall take effect sixty days after the Commissioners have initially promulgated regulations pursuant to such section.

Approved September 10, 1962.

## Public Law 87-657

## AN ACT

September 13, 1962  
[S. 476]

To establish the Point Reyes National Seashore in the State of California, and for other purposes.

California.  
Point Reyes Na-  
tional Seashore.  
Establishment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to save and preserve, for purposes of public recreation, benefit, and inspiration, a portion of the diminishing seashore of the United States that remains undeveloped, the Secretary of the Interior (hereinafter referred to as the "Secretary") is hereby authorized to take appropriate action in the public interest toward the establishment of the national seashore set forth in section 2 of this Act.

SEC. 2. (a) The area comprising that portion of the land and waters located on Point Reyes Peninsula, Marin County, California, which shall be known as the Point Reyes National Seashore, is described as follows by reference to that certain boundary map, designated NS-PR-7001, dated June 1, 1960, on file with the Director, National Park Service, Washington, District of Columbia.

Beginning at a point, not monumented, where the boundary line common to Rancho Punta de los Reyes (Sobrante) and Rancho Las Baulines meets the average high tide line of the Pacific Ocean as shown on said boundary map;

Thence southwesterly from said point 1,320 feet offshore on a prolongation of said boundary line common to Rancho Punta de los Reyes (Sobrante) and Rancho Las Baulines;

Thence in a northerly and westerly direction paralleling the average high tide line of the shore of the Pacific Ocean; along Drakes Bay, and around Point Reyes;

Thence generally northerly and around Tomales Point, offshore a distance of 1,320 feet from average high tide line;

Thence southeasterly along a line 1,320 feet offshore and parallel to the average high tide line along the west shore of Bodega Bay and Tomales Bay to the intersection of this line with a prolongation of the most northerly tangent of the boundary of Tomales Bay State Park;

Thence south 54 degrees 32 minutes west 1,320 feet along the prolongation of said tangent of Tomales Bay State Park boundary to the average high tide line on the shore of Tomales Bay;

Thence following the boundary of Tomales Bay State Park in a southerly direction to a point lying 105.4 feet north 41 degrees east of an unimproved road heading westerly and northerly from Pierce Point Road;

Thence south 41 degrees west 105.4 feet to a point on the north right-of-way of said unimproved road;

Thence southeasterly along the north right-of-way of said unimproved road and Pierce Point Road to a point at the southwest corner of Tomales Bay State Park at the junction of the Pierce Point Road and Sir Francis Drake Boulevard;

Thence due south to a point on the south right-of-way of said Sir Francis Drake Boulevard;

Thence southeasterly along said south right-of-way approximately 3,100 feet to a point;

Thence approximately south 19 degrees west approximately 300 feet;

Thence south approximately 400 feet;

Thence southwest to the most northerly corner of the Inverness watershed area;

Thence southerly and easterly along the west property line of the Inverness watershed area approximately 9,040 feet to a point near the

intersection of this property line with an unimproved road as shown on said boundary map;

Thence southerly along existing property lines that roughly follow said unimproved road to its intersection with Drakes Summit Road and to a point on the north right-of-way of Drakes Summit Road;

Thence easterly approximately 1,000 feet along the north right-of-way of said Drakes Summit Road to a point which is a property line corner at the intersection with an unimproved road to the south;

Thence southerly and easterly and then northerly, as shown approximately on said boundary map, along existing property lines to a point on the south right-of-way of the Bear Valley Road, approximately 1,500 feet southeast of its intersection with Sir Francis Drake Boulevard;

Thence easterly and southerly along said south right-of-way of Bear Valley Road to a point on a property line approximately 1,000 feet west of the intersection of Bear Valley Road and Sir Francis Drake Boulevard in the village of Olema;

Thence south approximately 1,700 feet to the northwest corner of property now owned by Helen U. and Mary S. Shafter;

Thence southwest and southeast along the west boundary of said Shafter property to the southwest corner of said Shafter property;

Thence approximately south 30 degrees east on a course approximately 1,700 feet to a point;

Thence approximately south 10 degrees east on a course to the centerline of Olema Creek;

Thence generally southeasterly up the centerline of Olema Creek to a point on the west right-of-way line of State Route Numbered 1;

Thence southeasterly along westerly right-of-way line to State Highway Numbered 1 to a point where a prolongation of the boundary line common to Rancho Punta de los Reyes (Sobrante) and Rancho Las Baulines would intersect right-of-way line of State Highway Numbered 1;

Thence southwesterly to and along said south boundary line of Rancho Punta de los Reyes (Sobrante) approximately 2,900 feet to a property corner;

Thence approximately south 38 degrees east approximately 1,500 feet to the centerline of Pine Gulch Creek;

Thence down the centerline of Pine Gulch Creek approximately 400 feet to the intersection with a side creek flowing from the west;

Thence up said side creek to its intersection with said south boundary line of Rancho Punta de los Reyes (Sobrante);

Thence southwest along said south boundary line of Rancho Punta de los Reyes to the point of beginning, containing approximately 53,000 acres. Notwithstanding the foregoing description, the Secretary is authorized to include within the Point Reyes National Seashore the entire tract of land owned by the Vedanta Society of Northern California west of the centerline of Olema Creek, in order to avoid a severance of said tract.

(b) The area referred to in subsection (a) shall include also a right-of-way, to be selected by the Secretary, of not more than 400 feet in width to the aforesaid tract from the intersection of Sir Francis Drake Boulevard and Haggerty Gulch.

SEC. 3. (a) Except as provided in section 4, the Secretary is authorized to acquire, and it is the intent of Congress that he shall acquire as rapidly as appropriated funds become available for this purpose or as such acquisition can be accomplished by donation or with donated funds or by transfer, exchange, or otherwise the lands, waters, and other property, and improvements thereon and any interest therein, within the areas described in section 2 of this Act or which lie within



the boundaries of the seashore as established under section 5 of this Act (hereinafter referred to as "such area"). Any property, or interest therein, owned by a State or political subdivision thereof may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act. In exercising his authority to acquire property in accordance with the provisions of this subsection, the Secretary may enter into contracts requiring the expenditure, when appropriated, of funds authorized by section 8 of this Act, but the liability of the United States under any such contract shall be contingent on the appropriation of funds sufficient to fulfill the obligations thereby incurred.

(b) The Secretary is authorized to pay for any acquisitions which he makes by purchase under this Act their fair market value, as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

(c) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within California and adjacent States, notwithstanding any other provision of law. The properties so exchanged shall be approximately equal in fair market value, provided that the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

SEC. 4. No parcel of more than five hundred acres within the zone of approximately twenty-six thousand acres depicted on map numbered NS-PR-7002, dated August 15, 1961, on file with the director, National Park Service, Washington, District of Columbia, exclusive of that land required to provide access for purposes of the national seashore, shall be acquired without the consent of the owner so long as it remains in its natural state, or is used exclusively for ranching and dairying purposes including housing directly incident thereto. The term "ranching and dairying purposes", as used herein, means such ranching and dairying, primarily for the production of food, as is presently practiced in the area.

In acquiring access roads within the pastoral zone, the Secretary shall give due consideration to existing ranching and dairying uses and shall not unnecessarily interfere with or damage such use.

SEC. 5. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in the area described in section 2 of this Act, that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish Point Reyes National Seashore by the publication of notice thereof in the Federal Register.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 2 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the State and to the governing body of each of the political subdivisions involved; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each of the localities; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for the county involved.

"Ranching and  
dairying pur-  
poses."

Publication in  
F. R.

Notification of  
Governor, etc.

SEC. 6. (a) Any owner or owners (hereinafter in this subsection referred to as "owner") of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of the improved property for noncommercial residential purposes for a term of fifty years. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

(b) As used in this Act, the term "improved property" shall mean a private noncommercial dwelling, including the land on which it is situated, whose construction was begun before September 1, 1959, and structures accessory thereto (hereinafter in this subsection referred to as "dwelling"), together with such amount and locus of the property adjoining and in the same ownership as such dwelling as the Secretary designates to be reasonably necessary for the enjoyment of such dwelling for the sole purpose of noncommercial residential use and occupancy. In making such designation the Secretary shall take into account the manner of noncommercial residential use and occupancy in which the dwelling and such adjoining property has usually been enjoyed by its owner or occupant.

"Improved property."

SEC. 7. (a) Except as otherwise provided in this Act, the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with other laws of general application relating to the national park system as defined by the Act of August 8, 1953 (67 Stat. 496), except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

16 USC 1.

16 USC 1c.

(b) The Secretary may permit hunting and fishing on lands and waters under his jurisdiction within the seashore in such areas and under such regulations as he may prescribe during open seasons prescribed by applicable local, State, and Federal law. The Secretary shall consult with officials of the State of California and any political subdivision thereof who have jurisdiction of hunting and fishing prior to the issuance of any such regulations, and the Secretary is authorized to enter into cooperative agreements with such officials regarding such hunting and fishing as he may deem desirable.

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, except that no more than \$14,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

Appropriation.

Approved September 13, 1962.

## Public Law 87-658

### AN ACT

To provide authority to accelerate public works programs by the Federal Government and State and local bodies.

September 14, 1962  
[S. 2965]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Public Works Acceleration Act".

Public Works  
Acceleration Act.

SEC. 2. (a) The Congress finds that (1) certain communities and areas in the Nation are presently burdened by substantial unemployment and underemployment and have failed to share fully in the economic gains of the recovery from the recession of 1960-1961 and (2) action by the Federal Government is necessary, both to provide immediate useful work for the unemployed and underemployed in these communities and to help these communities, through improvement of their facilities, to become more conducive to industrial development and better places in which to live and work. The Nation has a backlog of needed public projects, and an acceleration of these projects now will not only increase employment at a time when jobs are urgently required but will also meet longstanding public needs, improve community services, and enhance the health and welfare of citizens of the Nation.

(b) The Congress further finds that Federal assistance to stimulate public works investment in order to increase employment opportunities is most urgently needed in those areas, both urban and rural, which qualify as redevelopment areas because they suffer from persistent and chronic unemployment and economic underdevelopment, as well as in other areas which have suffered from substantial unemployment for a period of at least twelve months.

"Eligible area."

SEC. 3. (a) For the purposes of this section the term "eligible area" means—

(1) those areas which the Secretary of Labor designates each month as having been areas of substantial unemployment for at least nine of the preceding twelve months; and

(2) those areas which are designated by the Secretary of Commerce under subsections (a) and (b) of section 5 of the Area Redevelopment Act as "redevelopment areas".

75 Stat. 48.  
42 USC 2504.  
Authority.

(b) The President is authorized to initiate and accelerate in eligible areas those Federal public works projects which have been authorized by Congress, and those public works projects of States and local governments for which Federal financial assistance is authorized under provisions of law other than this Act, by allocating funds appropriated to carry out this section—

(1) to the heads of the departments, agencies, and instrumentalities of the Federal Government responsible for the construction of Federal public works projects, and

(2) to the heads of the departments, agencies, and instrumentalities of the Federal Government responsible for the administration of laws authorizing Federal financial assistance to public works projects of States and local governments.

Grants-in-aid.

(c) All grants-in-aid made from allocations made by the President under this section shall be made by the head of the department, agency, or instrumentality of the Federal Government administering the law authorizing such grants, and, except as otherwise provided in this subsection, shall be made in accordance with all of the provisions of such law except (1) provisions requiring allocation of funds among the States, and (2) limitations upon the total amount of such grants for any period. Notwithstanding any provision of such law requiring the Federal contribution to the State or local government involved to be less than a fixed portion of the cost of a project, grants-in-aid may be made under authority of this section which bring the total of all Federal contributions to such project up to 50 per centum of the cost of such project, or up to 75 per centum of the cost of such project if the State or local government does not have economic and financial capacity to assume all of the additional financial obligations required.

Appropriations.

(d) There is hereby authorized to be appropriated not to exceed \$900,000,000 to be allocated by the President in accordance with subsection (b) of this section, except that not less than \$300,000,000 shall

be allocated for public works projects in areas designated by the Secretary of Commerce as redevelopment areas under subsection (b) of section 5 of the Area Redevelopment Act.

(e) The President shall prescribe rules, regulations, and procedures to carry out this section which will assure that adequate consideration is given to the relative needs of eligible areas. In prescribing such rules, regulations, and procedures the President shall consider among other relevant factors (1) the severity of the rates of unemployment in the eligible areas and the duration of such unemployment and (2) the income levels of families and the extent of underemployment in eligible areas.

(f) Funds allocated by the President under this section shall be available only for projects—

(1) which can be initiated or accelerated within a reasonably short period of time;

(2) which will meet an essential public need;

(3) a substantial portion of which can be completed within twelve months after initiation or acceleration;

(4) which will contribute significantly to the reduction of local unemployment;

(5) which are not inconsistent with locally approved comprehensive plans for the jurisdiction affected, wherever such plans exist.

(g) Not more than 10 per centum of all amounts allocated by the President under this section shall be made available for public works projects within any one State.

(h) The criteria to be used by the Secretary of Labor in determining areas of substantial unemployment for the purposes of paragraph (1) of subsection (a) of this section shall be the criteria established in section 6.3 of title 29 of the Code of Federal Regulations as in effect May 1, 1962.

SEC. 4. (a) No part of any allocation made by the President under this Act shall be made available during any fiscal year to any State or local government for any public works project, unless the proposed or planned total expenditure (exclusive of Federal funds) of such State or local government during such fiscal year for all its capital improvement projects is increased by an amount approximately equal to the non-Federal funds required to be made available for such public works project.

(b) No part of any allocation made by the President under this Act shall be made available for any planning or construction, directly or indirectly, of any school or other educational facility.

SEC. 5. (a) Paragraph (4) of subsection (b) of section 202 of the Housing Amendments of 1955 is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to any financial assistance to be extended under subsection (a) of this section for the purpose of financing any project for public works or facilities to be initiated or accelerated as the result of a grant-in-aid from an allocation made by the President under section 9 of the Public Works Acceleration Act."

(b) Section 202 of the Housing Amendments of 1955 is amended by adding at the end thereof the following new subsection:

"(c) The Administrator is authorized to make a grant-in-aid from any allocation made for such purpose by the President under section 9 of the Public Works Acceleration Act to any public entity described in clause (1) of subsection (a) of this section of not to exceed 50 per centum of the cost of construction of any project for public works or facilities, if such project would be eligible (without regard to the

75 Stat. 48.  
42 USC 2504.  
Rules and regulations.

Restrictions.

75 Stat. 174.  
42 USC 1492.

42 USC 1492.

restrictions and limitations of subsections (b) and (c) of this section) for financial assistance under clause (1) of subsection (a) of this section in accordance with the rules and regulations of the Administrator (as in effect on the date of enactment of this subsection) relating to the types of public works and facilities to which such assistance may be extended."

69 Stat. 641;  
73 Stat. 686.  
40 USC 462.

SEC. 6. Section 702 of the Housing Act of 1954 is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of this section, no advance made under this section for the planning of any public works project shall be required to be repaid if construction of such project is initiated as a result of a grant-in-aid made from an allocation made by the President under the Public Works Acceleration Act."

Approved September 14, 1962, 9:40 a.m.

## Public Law 87-659

### AN ACT

September 14, 1962  
[S. 3221]

To provide for the exchange of certain lands in Puerto Rico.

Puerto Rico.  
Land exchange.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Navy is hereby authorized to convey, from the lands comprising the United States Naval Station, San Juan, Puerto Rico, to the San Juan Darlington, Incorporated, all right, title, and interest of the United States in and to an irregularly shaped parcel of land containing .049 acre and which is contiguous to the lands of the said San Juan Darlington, Incorporated. Such conveyance shall be conditioned upon the conveyance to the United States by the said San Juan Darlington, Incorporated, of a parcel of like size, from which all improvements have been removed, which is contiguous to that portion of the lands comprising the United States Naval Station, San Juan, Puerto Rico, which adjoin the properties of the said San Juan Darlington, Incorporated.

SEC. 2. If necessary to facilitate the exchange of lands provided for in the first section of this Act, the Secretary may enter into such agreement with the government of the Commonwealth of Puerto Rico and prepare and execute instruments pursuant to such agreement as may be necessary to effectuate the relinquishment by such government of any interest it may have in the lands to be conveyed by the United States under such section in consideration of the United States conferring upon such government a similar interest in the lands to be conveyed to the United States under such section.

71 Stat. 469.

SEC. 3. Public Law 187, Eighty-fifth Congress, is amended by—

(1) striking out the word "and" at the end of paragraph (a) and inserting in lieu thereof the following: "excepting therefrom, however a .049 acre parcel of land to be conveyed by the United States to San Juan Darlington, Incorporated, in exchange for an adjacent parcel of land of like size,";

(2) striking out "; in consideration of" at the end of paragraph (b), and inserting in lieu thereof a comma and the word "and"; and

(3) inserting after paragraph (b) a new paragraph as follows: "(c) The .049 acre parcel of land to be acquired from the San Juan Darlington, Incorporated, in exchange for the parcel of like size excepted from the description set out in paragraph (a) of this Act; in consideration of".

Approved September 14, 1962.

## Public Law 87-660

## AN ACT

To provide for retrocession of legislative jurisdiction over United States Naval Supply Depot Clearfield, Ogden, Utah.

September 14, 1962  
[S. 2421]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, the Secretary of the Navy may, at such times as he may deem desirable, relinquish to the State of Utah all, or such portion as he may deem desirable for relinquishment, of the jurisdiction heretofore acquired by the United States over any lands within the United States Naval Supply Depot Clearfield, Ogden, Utah, reserving to the United States such concurrent or partial jurisdiction as he may deem necessary. Relinquishment of jurisdiction under the authority of this Act may be made by filing with the Governor of the State of Utah a notice of such relinquishment, which shall take effect upon acceptance thereof by the State of Utah in such manner as its laws may prescribe.

Ogden, Utah.  
Naval supply depot, jurisdiction.

Approved September 14, 1962.

## Public Law 87-661

## AN ACT

To add certain lands to the Wasatch National Forest, Utah, and for other purposes.

September 14, 1962  
[S. 1378]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That to aid in the control of floods that may originate thereon and the reduction of soil erosion through the restoration of adequate vegetative cover and to promote their management and protection as national forest lands under principles of multiple use and sustained yield, the lands described in section 2 hereof are hereby included in the Wasatch National Forest. Subject to any valid claims now existing and hereafter maintained, any of such lands owned or hereafter acquired by the United States or any other land acquired pursuant to this Act are hereby added to such national forest and shall be subject to laws and regulations applicable to the national forests. The Secretary of Agriculture is authorized to acquire any lands described in section 2 hereof and other lands within the national forest situated in the townships within which the described lands are located not owned by the United States which he finds suitable to accomplish the purposes of this Act.

Wasatch National Forest,  
Utah.  
Land addition.

SEC. 2. This Act shall be applicable to the following described lands:

## SALT LAKE MERIDIAN

Township 2 north, range 1 east: Section 1, lots 1 to 4, inclusive, south half north half.

Township 3 north, range 1 east: Sections 1 and 2; section 3, lots 1 and 2, south half northeast quarter; section 11, east half; sections 12 and 13; section 35, northwest quarter, south half northeast quarter, southeast quarter; section 36, south half northwest quarter, northeast quarter, south half.

Township 4 north, range 1 east: Section 1, lots 3 and 4, south half northwest quarter, southwest quarter; sections 2 and 3; section 4, east half; section 9, east half; sections 10 to 15, inclusive; section 16, east half; section 21, east half; sections 22 to 27, inclusive; sections 34 to 36, inclusive.

Township 5 north, range 1 east: South half of sections 26 to 28, inclusive; section 29, southeast quarter; section 33, north half, southeast quarter; sections 34 and 35.

Township 2 north, range 2 east: Sections 6 and 7; section 18, north half; southeast quarter.

Township 3 north, range 2 east: Sections 18, 19, 30, and 31.

SEC. 3. There is hereby authorized to be appropriated not to exceed \$400,000 to carry out the purposes of this Act.

Approved September 14, 1962.

## Public Law 87-662

### AN ACT

September 14, 1962

[S. 1108]

Authorizing the conveyance of certain property in the city of San Diego to the regents of the University of California.

University of  
California.  
Conveyance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Navy, or his designee, is authorized and directed when he determines that the following described land at Camp Matthews, California, is available for conveyance to the regents of the University of California for educational and related purposes, to convey said land, together with all improvements and appurtenances, to the regents of the University of California by quitclaim deed without monetary consideration therefor but upon the conditions set forth in this Act.

SEC. 2. The property to be conveyed comprising approximately 544 acres of land is more particularly described as follows: The easterly half of pueblo lot 1300; all of pueblo lot 1309; all of pueblo lot 1310; all of that portion of pueblo lot 1311 lying easterly of Pacific Highway and southerly of Miramar Road; all that portion of pueblo lot 1314 lying southerly of Miramar Road; all that portion of pueblo lot 1315 lying southerly of Miramar Road; all that portion of the westerly half of pueblo lot 1316 lying southerly of Miramar Road; said pueblo lands being according to the map thereof made by James Pascoe of 1870, a certified copy of which is filed as miscellaneous map numbered 36 in the office of the county recorder of San Diego County, California; excepting therefrom any property previously conveyed to the State of California or the city of San Diego for highway purposes.

Conditions.

SEC. 3. The deed of conveyance executed pursuant to this Act shall include the conditions that (a) such property shall be held by the regents of the University of California so long as the property conveyed shall be used for educational purposes; (b) if at any time the Secretary of the Navy determines, upon advice received from the Secretary of Health, Education, and Welfare, that the property so conveyed, is not held for such purposes, title thereto shall immediately revert to the United States; and (c) in the event of any such reversion, title to all improvements made thereon by the regents of the University of California during its occupancy shall vest in the United States without payment of compensation therefor. Such deed of conveyance shall be subject to such other conditions as the Secretary of the Navy may deem appropriate to protect the interests of the United States:

Exchange.

SEC. 4. The regents of the University of California may exchange portions of the property described in section 2 for other adjacent lands of approximately equal value in order to develop such property boundaries as may be best suited for the purposes of the University of California.

SEC. 5. Section 3 shall be applicable in all respects to any land received by the regents of the University of California, under the exchange provisions authorized in section 4, and any land conveyed by the regents of the University of California pursuant to such exchange shall be received by the grantee thereof free and clear of the conditions prescribed in the first sentence of section 3.

Approved September 14, 1962.

## Public Law 87-663

### AN ACT

September 14, 1962  
[S. 3628]

To amend title 10, United States Code, to authorize the appointment of citizens or nationals of the United States from American Samoa, Guam, or the Virgin Islands to the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 10, United States Code, is amended as follows:

U. S. Military,  
Naval, and Air  
Force Academies.  
Nationals, ap-  
pointment.  
70A Stat. 240.

- (1) Section 4342(a) is amended—
  - (A) by striking out the word “and” at the end of clause (8);
  - (B) by striking out the period at the end of clause (9) and inserting the word “; and” in place thereof; and
  - (C) by adding the following new clause at the end thereof:  
“(10) one cadet from American Samoa, Guam, or the Virgin Islands nominated by the Secretary of the Army upon recommendations of their respective Governors.”
- (2) Section 4342(c) is amended—
  - (A) by striking out the words “clauses (1)—(5)” and inserting the words “clauses (1)—(5) and (10)” in place thereof; and
  - (B) by striking out the words “or Puerto Rico,” and inserting the words “, Puerto Rico, American Samoa, Guam, or the Virgin Islands,” in place thereof.
- (3) Section 6954(a) is amended by adding the following new clause at the end thereof:  
“(9) One from American Samoa, Guam, or the Virgin Islands nominated by the Secretary of the Navy upon recommendations of their respective Governors.”
- (4) Section 6958(b) is amended—
  - (A) by striking out the words “clauses (3)—(7)” and inserting the words “clauses (3)—(7) and (9)” in place thereof; and
  - (B) by striking out the words “or Puerto Rico,” and inserting the words “, Puerto Rico, American Samoa, Guam, or the Virgin Islands,” in place thereof.
- (5) Section 9342(a) is amended—
  - (A) by striking out the word “and” at the end of clause (8);
  - (B) by striking out the period at the end of clause (9) and inserting the word “; and” in place thereof; and
  - (C) by adding the following new clause at the end thereof:  
“(10) one cadet from American Samoa, Guam, or the Virgin Islands nominated by the Secretary of the Air Force upon recommendations of their respective Governors.”
- (6) Section 9342(c) is amended—
  - (A) by striking out the words “clauses (1)—(5)” and inserting the words “clauses (1)—(5) and (10)” in place thereof; and
  - (B) by striking out the words “or Puerto Rico,” and inserting the words “, Puerto Rico, American Samoa, Guam, or the Virgin Islands,” in place thereof.

Approved September 14, 1962.



## Public Law 87-664

## AN ACT

September 19, 1962  
[S. 167]

To authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws, and for other purposes.

Antitrust Civil  
Process Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Antitrust Civil Process Act".

## DEFINITIONS

## SEC. 2. For the purposes of this Act—

(a) The term "antitrust law" includes:

(1) Each provision of law defined as one of the antitrust laws by section 1 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 730, as amended; 15 U.S.C. 12), commonly known as the Clayton Act;

38 Stat. 717.

(2) The Federal Trade Commission Act (15 U.S.C. 41 and the following); and

(3) Any statute hereafter enacted by the Congress which prohibits, or makes available to the United States in any court of the United States any civil remedy with respect to (A) any restraint upon or monopolization of interstate or foreign trade or commerce, or (B) any unfair trade practice in or affecting such commerce;

(b) The term "antitrust order" means any final order, decree, or judgment of any court of the United States, duly entered in any case or proceeding arising under any antitrust law;

(c) The term "antitrust investigation" means any inquiry conducted by any antitrust investigator for the purpose of ascertaining whether any person is or has been engaged in any antitrust violation;

(d) The term "antitrust violation" means any act or omission in violation of any antitrust law or any antitrust order;

(e) The term "antitrust investigator" means any attorney or investigator employed by the Department of Justice who is charged with the duty of enforcing or carrying into effect any antitrust law;

(f) The term "person" means any corporation, association, partnership, or other legal entity not a natural person;

(g) The term "documentary material" includes the original or any copy of any book, record, report, memorandum, paper, communication, tabulation, chart, or other document; and

(h) The term "custodian" means the antitrust document custodian or any deputy custodian designated under section 4(a) of this Act.

## CIVIL INVESTIGATIVE DEMAND

SEC. 3. (a) Whenever the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, has reason to believe that any person under investigation may be in possession, custody, or control of any documentary material relevant to a civil antitrust investigation, he may, prior to the institution of a civil or criminal proceeding thereon, issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such material for examination.

## (b) Each such demand shall—

(1) state the nature of the conduct constituting the alleged antitrust violation which is under investigation and the provision of law applicable thereto;

(2) describe the class or classes of documentary material to be produced thereunder with such definiteness and certainty as to permit such material to be fairly identified;

(3) prescribe a return date which will provide a reasonable period of time within which the material so demanded may be assembled and made available for inspection and copying or reproduction; and

(4) identify the custodian to whom such material shall be made available.

## (c) No such demand shall—

(1) contain any requirement which would be held to be unreasonable if contained in a subpoena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged antitrust violation; or

(2) require the production of any documentary evidence which would be privileged from disclosure if demanded by a subpoena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged antitrust violation.

(d) Any such demand may be served by any antitrust investigator, or by any United States marshal or deputy marshal, at any place within the territorial jurisdiction of any court of the United States.

(e) Service of any such demand or of any petition filed under section 5 of this Act may be made upon a partnership, corporation, association, or other legal entity by—

(1) delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity;

(2) delivering a duly executed copy thereof to the principal office or place of business of the partnership, corporation, association, or entity to be served; or

(3) depositing such copy in the United States mails, by registered or certified mail duly addressed to such partnership, corporation, association, or entity at its principal office or place of business.

(f) A verified return by the individual serving any such demand or petition setting forth the manner of such service shall be proof of such service. In the case of service by registered or certified mail, such return shall be accompanied by the return post office receipt of delivery of such demand.

## ANTITRUST DOCUMENT CUSTODIAN

SEC. 4. (a) The Assistant Attorney General in charge of the Antitrust Division of the Department of Justice shall designate an antitrust investigator to serve as antitrust document custodian, and such additional antitrust investigators as he shall determine from time to time to be necessary to serve as deputies to such officer.

(b) Any person upon whom any demand issued under section 3 has been duly served shall make such material available for inspection and copying or reproduction to the custodian designated therein at the principal place of business of such person (or at such other place as such custodian and such person thereafter may agree and prescribe in writing or as the court may direct, pursuant to section 5(d) of this Act) on the return date specified in such demand (or on such later

date as such custodian may prescribe in writing). Such person may upon written agreement between such person and the custodian substitute for copies of all or any part of such material originals thereof.

(c) The custodian to whom any documentary material is so delivered shall take physical possession thereof, and shall be responsible for the use made thereof and for the return thereof pursuant to this Act. The custodian may cause the preparation of such copies of such documentary material as may be required for official use under regulations which shall be promulgated by the Attorney General. While in the possession of the custodian, no material so produced shall be available for examination, without the consent of the person who produced such material, by any individual other than a duly authorized officer, member, or employee of the Department of Justice. Under such reasonable terms and conditions as the Attorney General shall prescribe, documentary material while in the possession of the custodian shall be available for examination by the person who produced such material or any duly authorized representative of such person.

(d) Whenever any attorney has been designated to appear on behalf of the United States before any court or grand jury in any case or proceeding involving any alleged antitrust violation, the custodian may deliver to such attorney such documentary material in the possession of the custodian as such attorney determines to be required for use in the presentation of such case or proceeding on behalf of the United States. Upon the conclusion of any such case or proceeding, such attorney shall return to the custodian any documentary material so withdrawn which has not passed into the control of such court or grand jury through the introduction thereof into the record of such case or proceeding.

(e) Upon the completion of (1) the antitrust investigation for which any documentary material was produced under this Act, and (2) any case or proceeding arising from such investigation, the custodian shall return to the person who produced such material all such material (other than copies thereof made by the Department of Justice pursuant to subsection (c)) which has not passed into the control of any court or grand jury through the introduction thereof into the record of such case or proceeding.

(f) When any documentary material has been produced by any person under this Act for use in any antitrust investigation, and no such case or proceeding arising therefrom has been instituted within a reasonable time after completion of the examination and analysis of all evidence assembled in the course of such investigation, such person shall be entitled, upon written demand made upon the Attorney General or upon the Assistant Attorney General in charge of the Antitrust Division, to the return of all documentary material (other than copies thereof made by the Department of Justice pursuant to subsection (c)) so produced by such person.

(g) In the event of the death, disability, or separation from service in the Department of Justice of the custodian of any documentary material produced under any demand issued under this Act, or the official relief of such custodian from responsibility for the custody and control of such material, the Assistant Attorney General in charge of the Antitrust Division shall promptly (1) designate another antitrust investigator to serve as custodian thereof, and (2) transmit notice in writing to the person who produced such material as to the identity and address of the successor so designated. Any successor so designated shall have with regard to such materials all duties and responsibilities imposed by this Act upon his predecessor in office with regard thereto, except that he shall not be held responsible for any default or dereliction which occurred before his designation as custodian.

## JUDICIAL PROCEEDINGS

SEC. 5. (a) Whenever any person fails to comply with any civil investigative demand duly served upon him under section 3 or whenever satisfactory copying or reproduction of any such material cannot be done and such person refuses to surrender such material, the Attorney General, through such officers or attorneys as he may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person a petition for an order of such court for the enforcement of this Act, except that if such person transacts business in more than one such district such petition shall be filed in the district in which such person maintains his principal place of business, or in such other district in which such person transacts business as may be agreed upon by the parties to such petition.

(b) Within twenty days after the service of any such demand upon any person, or at any time before the return date specified in the demand, whichever period is shorter, such person may file, in the district court of the United States for the judicial district within which such person resides, is found, or transacts business, and serve upon such custodian a petition for an order of such court modifying or setting aside such demand. The time allowed for compliance with the demand in whole or in part as deemed proper and ordered by the court shall not run during the pendency of such petition in the court. Such petition shall specify each ground upon which the petitioner relies in seeking such relief, and may be based upon any failure of such demand to comply with the provisions of this Act, or upon any constitutional or other legal right or privilege of such person.

(c) At any time during which any custodian is in custody or control of any documentary material delivered by any person in compliance with any such demand, such person may file, in the district court of the United States for the judicial district within which the office of such custodian is situated, and serve upon such custodian a petition for an order of such court requiring the performance by such custodian of any duty imposed upon him by this Act.

(d) Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction to hear and determine the matter so presented, and to enter such order or orders as may be required to carry into effect the provisions of this Act. Any final order so entered shall be subject to appeal pursuant to section 1291 of title 28 of the United States Code. Any disobedience of any final order entered under this section by any court shall be punished as a contempt thereof.

65 Stat. 726.

(e) To the extent that such rules may have application and are not inconsistent with the provisions of this Act, the Federal Rules of Civil Procedure shall apply to any petition under this Act.

28 USC app.

## CRIMINAL PENALTY

SEC. 6. (a) Section 1505, title 18, United States Code, is amended to read as follows:

62 Stat. 770.

**“§ 1505. Obstruction of proceedings before departments, agencies, and committees**

“Whoever corruptly, or by threats or force, or by any threatening letter or communication, endeavors to influence, intimidate, or impede any witness in any proceeding pending before any department or agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress; or

"Whoever injures any party or witness in his person or property on account of his attending or having attended such proceeding, inquiry, or investigation, or on account of his testifying or having testified to any matter pending therein; or

"Whoever, with intent to avoid, evade, prevent, or obstruct compliance in whole or in part with any civil investigative demand duly and properly made under the Antitrust Civil Process Act willfully removes from any place, conceals, destroys, mutilates, alters, or by other means falsifies any documentary material which is the subject of such demand; or

"Whoever corruptly, or by threats or force, or by any threatening letter or communication influences, obstructs, or impedes or endeavors to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department or agency of the United States, or the due and proper exercise of the power of inquiry under which such inquiry or investigation is being had by either House, or any committee of either House or any joint committee of the Congress—

"Shall be fined not more than \$5,000 or imprisoned not more than five years, or both."

18 USC 1501-  
1509.

(b) The analysis of chapter 73 of title 18 of United States Code is amended so that the title of section 1505 shall read therein as follows:

"1505. Obstruction of proceedings before departments, agencies, and committees."

#### SAVING PROVISION

SEC. 7. Nothing contained in this Act shall impair the authority of the Attorney General, the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, or any antitrust investigator to (a) lay before any grand jury impaneled before any district court of the United States any evidence concerning any alleged antitrust violation, (b) invoke the power of any such court to compel the production of any evidence before any such grand jury, or (c) institute any proceeding for the enforcement of any order or process issued in execution of such power, or to punish disobedience of any such order or process by any person, including a natural person.

Approved September 19, 1962.

### Public Law 87-665

#### AN ACT

September 19, 1962  
[H. R. 10493]

To amend title 18, United States Code, section 4163, relating to discharge of prisoners.

Crimes and of-  
fenses.  
Federal prison-  
ers, discharge  
date.  
62 Stat. 853.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4163 of title 18, United States Code, is amended to read as follows: "Except as hereinafter provided a prisoner shall be released at the expiration of his term of sentence less the time deducted for good conduct. A certificate of such deduction shall be entered on the commitment by the warden or keeper. If such release date falls upon a Saturday, a Sunday, or on a Monday which is a legal holiday at the place of confinement, the prisoner may be released at the discretion of the warden or keeper on the preceding Friday. If such release date falls on a holiday which falls other than on a Saturday, Sunday, or Monday, the prisoner may be released at the discretion of the warden or keeper on the day preceding the holiday."

Approved September 19, 1962.

## Public Law 87-666

## AN ACT

September 19, 1962  
[H. R. 857]

To improve due process in the consideration and final adjudication of disputed claims for veterans' benefits by providing that the claimant shall be furnished a brief statement of the facts and law applicable to the case appealed and afforded an opportunity to reply thereto.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 71 of title 38, United States Code, is amended by deleting sections 4005 and 4007 thereof, redesignating section 4006 as 4007, and inserting after section 4004 the following new sections:

Veterans.  
Appeals, state-  
ment of facts  
and law.  
72 Stat. 1240.

**“§ 4005. Filing of notice of disagreement and appeal**

“(a) Appellate review will be initiated by a notice of disagreement and completed by a substantive appeal after a statement of the case is furnished as prescribed in this section. Each appellant will be accorded hearing and representation rights pursuant to the provisions of this chapter and regulations of the Administrator.

“(b) (1) Except in the case of simultaneously contested claims, notice of disagreement shall be filed within one year from the date of mailing of notice of the result of initial review or determination. Such notice, and appeals, must be in writing and be filed with the activity which entered the determination with which disagreement is expressed (hereafter referred to as the ‘agency of original jurisdiction’). A notice of disagreement postmarked before the expiration of the one-year period will be accepted as timely filed.

“(2) Notices of disagreement, and appeals, must be in writing and may be filed by the claimant, his legal guardian, or such accredited representative, attorney, or authorized agent as may be selected by him. Not more than one recognized organization, attorney, or agent will be recognized at any one time in the prosecution of a claim.

“(c) If no notice of disagreement is filed in accordance with this chapter within the prescribed period, the action or determination shall become final and the claim will not thereafter be reopened or allowed, except as may otherwise be provided by regulations not inconsistent with this title.

“(d) (1) Where the claimant, or his representative, within the time specified in this chapter, files a notice of disagreement with the decision of the agency of original jurisdiction, such agency will take such development or review action as it deems proper under the provisions of regulations not inconsistent with this title. If such action does not resolve the disagreement either by granting the benefit sought or through withdrawal of the notice of disagreement, such agency will prepare a statement of the case consisting of—

“(A) A summary of the evidence in the case pertinent to the issue or issues with which disagreement has been expressed;

“(B) A citation or discussion of the pertinent law, regulations, and, where applicable, the provisions of the Schedule for Rating Disabilities;

“(C) The decision on such issue or issues and a summary of the reasons therefor.

“(2) A statement of the case, as required by this subsection, will not disclose matters that would be contrary to section 3301 of this title or otherwise contrary to the public interest. Such matters may be disclosed to a designated representative unless the relationship between the claimant and the representative is such that disclosure to the representative would be as harmful as if made to the claimant.

“(3) Copies of the ‘statement of the case’ prescribed in paragraph (1) of this subsection will be submitted to the claimant and to his

representative, if there is one. The claimant will be afforded a period of sixty days from the date the statement of the case is mailed to file the formal appeal. This may be extended for a reasonable period on request for good cause shown. The appeal should set out specific allegations of error of fact or law, such allegations related to specific items in the statement of the case. The benefits sought on appeal must be clearly identified. The agency of original jurisdiction may close the case for failure to respond after receipt of the statement of the case, but questions as to timeliness or adequacy of response shall be determined by the Board of Veterans' Appeals.

"(4) The appellant will be presumed to be in agreement with any statement of fact contained in the statement of the case to which no exception is taken.

"(5) The Board of Veterans' Appeals will base its decision on the entire record and may dismiss any appeal which fails to allege specific error of fact or law in the determination being appealed.

#### **"§ 4005A. Simultaneously contested claims**

"(a) In simultaneously contested claims where one is allowed and one rejected, the time allowed for the filing of a notice of disagreement shall be sixty days from the date notice of the adverse action is mailed. In such cases the agency of original jurisdiction shall promptly notify all parties in interest at the last known address of the action taken, expressly inviting attention to the fact that notice of disagreement will not be entertained unless filed within the sixty-day period prescribed by this subsection.

"(b) Upon the filing of a notice of disagreement, all parties in interest will be furnished with a statement of the case in the same manner as is prescribed in section 4005. The party in interest who filed a notice of disagreement will be allowed thirty days from the date of mailing of such statement of the case in which to file a formal appeal. Extension of time may be granted for good cause shown but with consideration to the interests of the other parties involved. The substance of the appeal will be communicated to the other party or parties in interest and a period of thirty days will be allowed for filing a brief or argument in answer thereto. Such notice shall be forwarded to the last known address of record of the parties concerned, and such action shall constitute sufficient evidence of notice.

#### **"§ 4006. Administrative appeals**

"Application for review on appeal may be made within the one-year period prescribed in section 4005 of this title by such officials of the Veterans' Administration as may be designated by the Administrator. An application entered under this paragraph shall not operate to deprive the claimant of the right of review on appeal as provided in this chapter."

SEC. 2. The table of headings at the beginning of chapter 71 is amended by striking;

"4005. Applications for review on appeal.

"4006. Docketing of appeals.

"4007. Simultaneously contested claims."

and inserting in lieu thereof:

"4005. Filing of notice of disagreement and appeal.

"4005A. Simultaneously contested claims.

"4006. Administrative appeals.

"4007. Docketing of appeals."

Effective date.

SEC. 3. The amendments made by this Act shall be effective January 1, 1963.

Approved September 19, 1962.

## Public Law 87-667

## AN ACT

September 19, 1962  
[H. R. 8038]

To amend section 491 of title 18, United States Code, prohibiting certain acts involving the use of tokens, slugs, disks, devices, papers, or other things which are similar in size and shape to the lawful coins or other currency of the United States.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That that portion of section 491 of title 18, United States Code, which precedes subsection (c) thereof is amended to read as follows:

Crimes and  
offenses.  
Slugs, disks,  
etc., penalty.  
62 Stat. 709.

**“§ 491. Tokens or paper used as money**

“(a) Whoever, being 18 years of age or over, not lawfully authorized, makes, issues, or passes any coin, card, token, or device in metal, or its compounds, intended to be used as money, or whoever, being 18 years of age or over, with intent to defraud, makes, utters, inserts, or uses any card, token, slug, disk, device, paper, or other thing similar in size and shape to any of the lawful coins or other currency of the United States or any coin or other currency not legal tender in the United States, to procure anything of value, or the use or enjoyment of any property or service from any automatic merchandise vending machine, postage-stamp machine, turnstile, fare box, coinbox telephone, parking meter or other lawful receptacle, depository, or contrivance designed to receive or to be operated by lawful coins or other currency of the United States, shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

“(b) Whoever manufactures, sells, offers, or advertises for sale, or exposes or keeps with intent to furnish or sell any token, slug, disk, device, paper, or other thing similar in size and shape to any of the lawful coins or other currency of the United States, or any token, disk, paper, or other device issued or authorized in connection with rationing or food and fiber distribution by any agency of the United States, with knowledge or reason to believe that such tokens, slugs, disks, devices, papers, or other things are intended to be used unlawfully or fraudulently to procure anything of value, or the use or enjoyment of any property or service from any automatic merchandise vending machine, postage-stamp machine, turnstile, fare box, coin-box telephone, parking meter, or other lawful receptacle, depository, or contrivance designed to receive or to be operated by lawful coins or other currency of the United States shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

“Nothing contained in this section shall create immunity from criminal prosecution under the laws of any State, Commonwealth of Puerto Rico, territory, possession, or the District of Columbia.”

Approved September 19, 1962.

## Public Law 87-668

## JOINT RESOLUTION

Extending the duration of copyright protection in certain cases.

September 19, 1962  
[H. J. Res. 627]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in any case in which the renewal term of copyright subsisting in any work on the date of approval of this resolution would expire prior to December 31, 1965, such term is hereby continued until December 31, 1965.

Copyright term.  
Extension.

Approved September 19, 1962.



## Public Law 87-669

September 19, 1962  
[H. R. 75]

## AN ACT

To amend section 2103 of title 28, United States Code, relating to appeals improvidently taken.

Supreme Court.  
Appeals.  
52 Stat. 962.*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2103 of title 28, United States Code, is amended to read as follows:

“§ 2103. Appeal from State court or from a United States court of appeals improvidently taken regarded as petition for writ of certiorari

“If an appeal to the Supreme Court is improvidently taken from the decision of the highest court of a State, or of a United States court of appeals, in a case where the proper mode of a review is by petition for certiorari, this alone shall not be ground for dismissal; but the papers whereon the appeal was taken shall be regarded and acted on as a petition for writ of certiorari and as if duly presented to the Supreme Court at the time the appeal was taken. Where in such a case there appears to be no reasonable ground for granting a petition for writ of certiorari it shall be competent for the Supreme Court to adjudge to the respondent reasonable damages for his delay, and single or double costs.”

SEC. 2. Item 2103 of the chapter analysis of chapter 133 title 28, United States Code, is amended to read as follows:

“2103. Appeal from State court or from a United States court of appeals improvidently taken regarded as petition for writ of certiorari.”

Approved September 19, 1962.

## Public Law 87-670

September 19, 1962  
[H. R. 10195]

## AN ACT

To validate payments of certain special station per diem allowances and certain basic allowances for quarters made in good faith to commissioned officers of the Public Health Service.

Public Health  
Service.  
Payment of cer-  
tain allowances,  
validation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following payments are validated: (1) payments of special station per diem allowances for quarters made before January 1, 1959, to commissioned officers of the Public Health Service having Alaska as their permanent duty station at the time of payment, which payments were not valid because the officers occupied Government rental quarters at less than their basic allowance for quarters, and (2) payments of basic allowances for quarters made before February 1, 1959, to commissioned officers of the Public Health Service occupying Government rental quarters at Indian health facilities, which payments were not valid because such quarters were adequate public quarters. Any commissioned officer or former commissioned officer who has made repayment to the United States of any amount so paid him as a station per diem allowance for quarters or a basic allowance for quarters may, upon his application within one year after the date of enactment of this Act, have refunded to him the amount so repaid. Any appropriation that was available for the payment of salaries of commissioned officers of the Public Health Service at any time during the years 1955 through 1959 is available for the payments of the refunds authorized by this Act.

Approved September 19, 1962.

## Public Law 87-671

## AN ACT

To establish a procedure for the use of independent medical experts by the Board of Veterans' Appeals.

September 19, 1962  
[H. R. 852]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 71 of title 38, United States Code, is amended by adding at the end thereof:

Veterans.  
Appeals, use of  
independent med-  
ical experts.  
72 Stat. 1240.

**“§ 4009. Independent medical opinions**

“(a) When, in the judgment of the Board, expert medical opinion, in addition to that available within the Veterans' Administration, is warranted by the medical complexity or controversy involved in an appeal case, the Board is authorized to secure an advisory medical opinion from one or more independent medical experts who are not employees of the Veterans' Administration.

“(b) The Administrator shall make necessary arrangements with recognized medical schools, universities, or clinics to furnish such advisory medical opinions at the request of the Chairman of the Board. Such arrangement will provide that the actual selection of the expert or experts to give the advisory opinion in any individual case will be made by an appropriate official of such institution.”

SEC. 2. Section 3301 of title 38, United States Code, is amended by adding at the end of paragraph (1) thereof the following new sentence: “And to an independent medical expert or experts for an advisory opinion pursuant to section 4009 of this title.”

SEC. 3. The table of sections at the end of chapter 71 of title 38, United States Code, is amended by adding at the end thereof:

“4009. Independent medical opinions.”

SEC. 4. The amendments made by this Act shall be effective January 1, 1963.

Effective date.

Approved September 19, 1962.

## Public Law 87-672

## AN ACT

To amend section 4281, title 18, of the United States Code to increase from \$30 to \$100 the amount of gratuity which may be furnished by the Attorney General to prisoners discharged from imprisonment or released on parole.

September 19, 1962  
[H. R. 11017]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4281, title 18, United States Code, is hereby amended by striking out the figure “30” and inserting in lieu thereof the figure “100”.

62 Stat. 856.

Approved September 19, 1962.

## Public Law 87-673

## AN ACT

To amend the Act of January 30, 1913, to provide that the American Hospital of Paris shall have perpetual succession.

September 19, 1962  
[H. R. 11996]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 9 of the Act entitled “An Act to incorporate the American Hospital of Paris”, approved January 30, 1913 (37 Stat. 655), is amended by striking out “for the term of fifty years” and inserting in lieu thereof “in perpetuity”.

American Hos-  
pital of Paris.  
Charter exten-  
sion.

Approved September 19, 1962.

## Public Law 87-674

## AN ACT

September 19, 1962  
[H. R. 5234]

To amend title 38, United States Code, to provide for the restoration of certain widows and children to the rolls upon annulment of their marriages or remarriages, and for other purposes.

Veterans.  
Widows and chil-  
dren, restoration  
to rolls.  
72 Stat. 1106.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (3) of section 101 of title 38, United States Code, is amended by striking out "and who has not remarried (unless the purported remarriage is void)" and inserting in lieu thereof the following: "and who has not remarried or (in cases not involving remarriage) has not since the death of the veteran, and after enactment of the 1962 amendment to this paragraph, lived with another man and held herself out openly to the public to be the wife of such other man".

SEC. 2. Section 103 of title 38, United States Code, is amended by adding at the end thereof the following:

"(d) The remarriage of the widow of a veteran shall not bar the furnishing of benefits to her as the widow of the veteran if the remarriage is void, or has been annulled by a court with basic authority to render annulment decrees unless the Veterans' Administration determines that the annulment was secured through fraud by either party or collusion.

"(e) The marriage of a child of a veteran shall not bar recognition of such child as the child of the veteran for benefit purposes if the marriage is void, or has been annulled by a court with basic authority to render annulment decrees unless the Veterans' Administration determines that the annulment was secured through fraud by either party or collusion."

Post, p. 948.

SEC. 3. Section 3010 of title 38, United States Code, is amended by adding at the end thereof the following:

"(f) The effective date of the award of benefits to a widow or of an award or increase of benefits based on recognition of a child, upon annulment of a marriage shall be the date the judicial decree of annulment becomes final if a claim therefor is filed within one year from the date the judicial decree of annulment becomes final; in all other cases the effective date shall be the date the claim is filed."

Approved September 19, 1962.

## Public Law 87-675

## AN ACT

September 19, 1962  
[H. R. 860]

To repeal certain obsolete provisions of title 38, United States Code, relating to unemployment compensation for Korean conflict veterans.

Korean vet-  
erans.  
Unemployment  
compensation.  
72 Stat. 1216.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) chapter 41 of title 38, United States Code, is amended by striking out sections 2001 through 2009, and by redesignating sections 2010, 2011, 2012, 2013, and 2014 as sections 2001, 2002, 2003, 2004, and 2005, respectively.

(b) The analysis of such chapter 41 is amended to read as follows:

"Sec.

"2001. Purpose.

"2002. Assignment of veterans' employment representative.

"2003. Employees of local offices.

"2004. Cooperation of Federal agencies.

"2005. Estimate of funds for administration."

(c) The section herein redesignated as section 2005 is further amended by striking out "subchapter" and inserting in lieu thereof "chapter".

(d) Such chapter 41 is further amended by striking out the headings of subchapters I and II.

(e) Claims for benefits under sections 2001 through 2009 of chapter 41 of title 38, United States Code, for any benefit week beginning before January 31, 1960, which claims are pending on the date these sections are repealed, shall be adjudicated in the same manner and with the same effect as if the sections had not been repealed. For the purpose of administering the program with respect to such claims, all functions, powers, and duties conferred upon the Secretary of Labor by sections 2001 through 2009 are continued in effect, and all rules and regulations established by the Secretary of Labor pursuant to these sections, and in effect when the sections are repealed, shall remain in full force and effect until modified or suspended.

Approved September 19, 1962.

Savings provisions.

## Public Law 87-676

### AN ACT

To amend the Federal Home Loan Bank Act to give Puerto Rico the same treatment as a State in the election of Federal Home Loan Bank Directors.

September 19, 1962  
[H. R. 10383]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (e) of section 7 of the Federal Home Loan Bank Act, as amended, is hereby amended by striking out the last sentence of said subsection and inserting in lieu thereof the following: "The term 'States' or 'State' as used in this section shall mean the States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico. The Board, by regulation or otherwise, may add an additional elective directorship to the board of directors of the bank of any district in which the Commonwealth of Puerto Rico is included at the time such directorship is added and which does not then include five or more States, may fix the commencement and the duration, which shall not exceed two years, of the initial term of any directorship so added, and may fill any such initial term by appointment: *Provided*, That (1) any directorship added pursuant to the foregoing provisions of this sentence shall be designated by the Board, pursuant to subsection (b) of this section, as representing the members located in the Commonwealth of Puerto Rico, (2) such designation of such directorship shall not be changed, and (3) such directorship shall automatically cease to exist if and when the Commonwealth of Puerto Rico ceases to be included in such district."

Puerto Rico.  
Federal Home  
Loan Bank Act,  
amendment.  
75 Stat. 487.  
12 USC 1427.  
"States" or  
"State."

Approved September 19, 1962.

## Public Law 87-677

### AN ACT

To amend the Bankruptcy Act in respect to the salaries of retired referees.

September 19, 1962  
[H. R. 12157]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph d of section 40 of the Bankruptcy Act (11 U.S.C. 68(d)) is amended to read as follows:

"d. (1) All referees in bankruptcy and employees in the offices of such referees shall be deemed to be officers and employees in the judi-

Courts.  
Retired referees,  
salaries.  
60 Stat. 328.

cial branch of the United States Government within the meaning of the Civil Service Retirement Act.

“(2) Any referee who has retired or been retired under the provisions of paragraph (1) of this subdivision may, if called upon by a judge of a court of bankruptcy, perform such duties of a referee, conciliation commissioner, or special master under this Act, within the jurisdiction of the court, as he may be able and willing to undertake. The retired referee shall receive as compensation for his services, either full or part time, the salary authorized for the referee serving the territory to which the retired referee is assigned. However, the rate of compensation of a retired referee assigned to serve on a full-time basis in the territory of a part-time referee shall be the minimum rate established by the Judicial Conference of the United States for full-time service. Salaries authorized under this paragraph shall be subject to the provisions of section 13(b) of the Civil Service Retirement Act.”

70 Stat. 757.  
5 USC 2263.

Approved September 19, 1962.

## Public Law 87-678

September 20, 1962  
[H. J. Res. 783]

### JOINT RESOLUTION

Granting consent of Congress to the State of Delaware and the State of New Jersey to enter into a compact to establish the Delaware River and Bay Authority for the development of the area in both States bordering the Delaware River and Bay.

Delaware-New  
Jersey Compact.

Whereas, the State of Delaware and the State of New Jersey, pursuant to legislative authority adopted by each State, being 53 Laws of Delaware, chapter 145, and P.L. 1961, chapter 66 of the Laws of New Jersey, have provided, subject to the consent of Congress, for a compact, known as the Delaware-New Jersey Compact, establishing “The Delaware River and Bay Authority” for the development of the area in both States bordering the said Delaware River and Bay; and

Whereas, said compact reads as follows:

### DELAWARE-NEW JERSEY COMPACT

Whereas, The State of Delaware and New Jersey are separated by the Delaware River and Bay which create a natural obstacle to the uninterrupted passage of traffic other than by water and with normal commercial activity between the two States thereby hindering the economic growth and development of those areas in both States which border the River and Bay; and

Whereas, the pressures of existing trends from increasing traffic, growing population and greater industrialization indicate the need for closer cooperation between the two States in order to advance the economic development and to improve crossings, transportation, terminal and other facilities of the area; and

Whereas, the financing, construction, operation and maintenance of such crossings, transportation, terminal and other facilities of commerce and the over-all planning for future economic development of the area may be best accomplished for the benefit of the two States and their citizens, the region and nation, by the cordial cooperation of Delaware and New Jersey by and through a joint or common agency or authority;

Now, therefore, the State of Delaware and the State of New Jersey, do hereby solemnly covenant and agree, each with the other as follows:

#### ARTICLE I.

##### SHORT TITLE.

This Compact shall be known as the "Delaware-New Jersey Compact."

#### ARTICLE II.

##### DEFINITIONS.

"Crossing" means any structure or facility adapted for public use in crossing the Delaware River or Bay between the States, whether by bridge, tunnel, ferry or other device, and by any vehicle or means of transportation of persons or property, as well as all approaches thereto and connecting and service routes and all appurtenances and equipment relating thereto.

"Transportation facility" and "terminal facility" mean any structure or facility other than a crossing as herein defined, adapted for public use within each of the States party hereto in connection with the transportation of persons or property, including railroads, motor vehicles, watercraft, airports and aircraft, docks, wharves, piers, slips, basins, storage places, sheds, warehouses, and every means or vehicle of transportation now or hereafter in use for the transportation of persons and property or the storage, handling or loading of property, as well as all appurtenances and equipment related thereto.

"Appurtenances" and "equipment" mean all works, buildings, structures, devices, appliances and supplies, as well as every kind of mechanism, arrangement, object or substance related to and necessary or convenient for the proper construction, equipment, maintenance, improvement and operation of any crossing, transportation facility or terminal facility.

"Project" means any undertaking or program for the acquisition or creation of any crossing, transportation facility or terminal facility, or any part thereof, as well as for the operation, maintenance and improvement thereof.

"Tunnel" means a tunnel of one or more tubes.

"Governor" means any person authorized by the Constitution and law of each State to exercise the functions, powers and duties of that office.

"Authority" means the Authority created by this Compact or any agency successor thereto.

The singular whenever used herein shall include the plural, and the plural shall include the singular.

#### ARTICLE III.

##### FAITHFUL COOPERATION.

They agree to and pledge, each to the other, faithful cooperation in the effectuation of this Compact and any future amendment or supplement thereto, and of any legislation expressly in implementation thereof hereafter enacted, and in the planning, development, financing, construction, operation, maintenance and improvement of all projects entrusted to the Authority created by this Compact.

## ARTICLE IV.

## ESTABLISHMENT OF AGENCY; PURPOSES.

The two States agree that there shall be created and they do hereby create a body politic, to be known as "The Delaware River and Bay Authority" (for brevity hereinafter referred to as the "Authority"), which shall constitute an agency of government of the State of Delaware and the State of New Jersey for the following general public purposes, and which shall be deemed to be exercising essential governmental functions in effectuating such purposes, to wit:

(a) The planning, financing, development, construction, purchase, lease, maintenance, improvement and operation of crossings between the States of Delaware and New Jersey across the Delaware River or Bay at any location south of the boundary line between the State of Delaware and the Commonwealth of Pennsylvania as extended across the Delaware River to the New Jersey shore of said river, together with such approaches or connections thereto as in the judgment of the Authority are required to make adequate and efficient connections between such crossings and any public highway or other routes in the State of Delaware or in the State of New Jersey; and

(b) The planning, financing, development, construction, purchase, lease, maintenance, improvement and operation of any transportation or terminal facility within those areas of both States which border on or are adjacent to the Delaware River or Bay south of the aforesaid line and which in the judgment of the States is required for the sound economic development of the area; and

(c) The performance of such other functions as may be hereafter entrusted to the Authority by concurrent legislation expressly in implementation hereof.

The Authority shall not undertake any project or part thereof, other than a crossing, without having first secured approval thereof by concurrent legislation of the two States expressly in implementation hereof.

## ARTICLE V.

## COMMISSIONERS.

The Authority shall consist of ten Commissioners, five of whom shall be residents of and qualified to vote in, and shall be appointed from, the State of Delaware, and five of whom shall be residents of and qualified to vote in, and shall be appointed from, the State of New Jersey; not more than three of the Commissioners of each State shall be of the same political party; the Commissioners for each State shall be appointed in the manner fixed and determined from time to time by the law of each State respectively. Each Commissioner shall hold office for a term of five years, and until his successor shall have been appointed and qualified, but the terms of the first Commissioners shall be so designated that the term of one Commissioner from each State shall expire each year. All terms shall run to the first day of July. Any vacancy, however created, shall be filled for the unexpired term only. Any Commissioner may be suspended or removed from office as provided by law of the State from which he shall be appointed.

Commissioners shall be entitled to reimbursement for necessary expenses to be paid only from revenues of the Authority and may not receive any other compensation for services to the Authority except such as may from time to time be authorized from such revenues by concurrent legislation.

## ARTICLE VI.

## BOARD ACTION.

The Commissioners shall have charge of the Authority's property and affairs and shall, for the purpose of doing business, constitute a Board; but no action of the Commissioners shall be binding or effective unless taken at a meeting at which at least three Commissioners from each State are present, and unless at least three Commissioners from each State shall vote in favor thereof. The vote of any one or more of the Commissioners from each State shall be subject to cancellation by the Governor of such State at any time within 10 days (Saturdays, Sundays, and public holidays in the particular State excepted) after receipt at the Governor's Office of a certified copy of the minutes of the meeting at which such vote was taken. Each State may provide by law for the manner of delivery of such minutes, and for notification of the action thereon.

## ARTICLE VII.

## GENERAL POWERS.

For the effectuation of its authorized purposes, the Authority is hereby granted the following powers:

- a. To have perpetual succession.
- b. To adopt and use an official seal.
- c. To elect a chairman and a vice-chairman from among the Commissioners. The chairman and vice-chairman shall be elected from different States, and shall each hold office for two years. The chairmanship and vice-chairmanship shall be alternated between the two States.
- d. To adopt by-laws to govern the conduct of its affairs by the Board of Commissioners, and it may adopt rules and regulations and may make appropriate orders to carry out and discharge its powers, duties and functions, but no by-law, or rule, regulation or order shall take effect until it has been filed with the Secretary of State of each State or in such other manner in each State as may be provided by the law thereof. In the establishment of rules, regulations and orders respecting the use of any crossing, transportation or terminal facility owned or operated by the Authority, including approach roads, it shall consult with appropriate officials of both States in order to insure, as far as possible, uniformity of such rules, regulations and orders with the law of both States.
- e. To appoint, or employ, such other officers, agents, attorneys, engineers and employees as it may require for the performance of its duties and to fix and determine their qualifications, duties, compensation, pensions, terms of office and all other conditions and terms of employment and retention.
- f. To enter into contracts and agreements with either State or with the United States, or with any public body, department, or other agency of either State or of the United States or with any individual, firm or corporation, deemed necessary or advisable for the exercise of its purposes and powers.
- g. To accept from any government or governmental department, agency or other public or private body, or from any other source, grants or contributions of money or property as well as loans, advances, guarantees, or other forms of financial assistance which it may use for or in aid of its purposes.
- h. To acquire (by gift, purchase or condemnation), own, hire, lease, use, operate and dispose of property, whether real, personal



or mixed, or of any interest therein, including any rights, franchise and property for any crossing, facility or other project owned by another, and which the Authority is authorized to own and operate.

i. To designate as express highways, and control public and private access thereto, all or any approaches to any crossing or other facility of the Authority for the purpose of connecting the same with any highway or other route in either State.

j. To borrow money and to evidence such loans by bonds, notes or other obligations, either secured or unsecured, and either in registered or unregistered form, and to fund or refund such evidences of indebtedness, which may be executed with facsimile signatures of such persons as may be designated by the Authority and by a facsimile of its corporate seal.

k. To procure and keep in force adequate insurance or otherwise provide for the adequate protection of its property, as well as to indemnify it or its officers, agents or employees against loss or liability with respect to any risk to which it or they may be exposed in carrying out any function hereunder.

l. To grant the use of, by franchise, lease or otherwise, and to make charges for the use of, any crossing, facility or other project or property owned or controlled by it.

m. To exercise the right of eminent domain to acquire any property or interest therein.

n. To determine the exact location, system and character of and all other matters in connection with any and all crossings, transportation or terminal facilities or other projects which it may be authorized to own, construct, establish, effectuate, operate or control.

o. To exercise all other powers not inconsistent with the Constitutions of the two States or of the United States, which may be reasonably necessary or incidental to the effectuation of its authorized purposes or to the exercise of any of the foregoing powers, except the power to levy taxes or assessments, and generally to exercise in connection with its property and affairs, and in connection with property within its control, any and all powers which might be exercised by a natural person or a private corporation in connection with similar property and affairs.

## ARTICLE VIII.

### ADDITIONAL POWERS.

For the purpose of effectuating the authorized purposes of the Authority, additional powers may be granted to the Authority by legislation of either State without the concurrence of the other, and may be exercised within such State, or may be granted to the Authority by Congress and exercised by it; but no additional duties or obligations shall be undertaken by the Authority under the law of either State or of Congress without authorization by the law of both States.

## ARTICLE IX.

### EMINENT DOMAIN.

If the Authority shall find and determine that any property or interest therein is required for a public use because in furtherance of the purposes of the Authority, said determination shall not be affected by the fact that such property has theretofore been taken over or is then devoted to a public use, but the public use in the hands

or under the control of the Authority, shall be deemed superior to the public use for which it has theretofore been taken or to which it is then devoted.

In any condemnation proceedings in connection with the acquisition by the Authority of property or property rights of any character in either State and the right of inspection and immediate entry thereon, through the exercise by it of its power of eminent domain, any existing or future law or rule of court of the State in which such property is located with respect to the condemnation of property for the construction, reconstruction and maintenance of highways therein, shall control. The Authority shall have the same power and authority with respect thereto as the State agency named in any such law; provided that nothing herein contained shall be construed as requiring joint or concurrent action by the two States with respect to the enactment, repeal or amendment of any law or rule of court on the subject of condemnation under which the Authority may proceed by virtue of this Article.

If the established grade of any street, avenue, highway or other route shall be changed by reason of the construction by the Authority of any work so as to cause loss or injury to any property abutting on such street, avenue, highway or other route, the Authority may enter into voluntary agreements with such abutting property owners and pay reasonable compensation for any loss or injury so sustained, whether or not it be compensable as damages under the condemnation law of the State.

The power of the Authority to acquire property by condemnation shall be a continuing power, and no exercise thereof shall be deemed to exhaust it.

#### ARTICLE X.

##### REVENUES AND APPLICATION.

The Authority is hereby authorized to establish, levy and collect such tolls and other charges as it may deem necessary, proper or desirable, in connection with any crossing, transportation or terminal facility or other project which it is or may be authorized at any time to construct, own, operate or control, and the aggregate of said tolls and charges shall be at least sufficient (1) to meet the combined expenses of operation, maintenance and improvement thereof (2) to pay the cost of acquisition or construction, including the payment, amortization and retirement of bonds or other securities or obligations assumed, issued or incurred by the Authority, together with interest thereon and (3) to provide reserves for such purposes; and the Authority is hereby authorized and empowered, subject to prior pledges, if any, to pledge such tolls and other revenues or any part thereof as security for the repayment with interest of any moneys borrowed by it or advanced to it for its authorized purposes and as security for the satisfaction of any other obligations assumed by it in connection with such loans or advances. There shall be allocated to the cost of the acquisition, construction, operation, maintenance and improvement of such facilities and projects, such proportion of the general expenses of the Authority as it shall deem properly chargeable thereto.

#### ARTICLE XI.

##### COVENANT WITH BONDHOLDERS.

The two said States covenant and agree with each other and with the holders of any bonds or other securities or obligations of the Authority, assumed, issued or incurred by it and as security for

which there may be pledged the tolls and revenues or any part thereof of any crossing, transportation or terminal facility or other project, that the two said States will not, so long as any of such bonds or other obligations remain outstanding and unpaid, diminish or impair the power of the Authority to establish, levy and collect tolls and other charges in connection therewith, and that neither of the two said States will, so long as any of such bonds or other obligations remain outstanding and unpaid, authorize any crossing of the Delaware River or Delaware Bay south of the line mentioned in Article IV (a) of this Compact, by any person or body other than the Authority; unless, in either case, adequate provision shall be made by law for the protection of those advancing money upon such obligations.

## ARTICLE XII.

### SECURITIES LAWFUL INVESTMENTS.

The bonds or other securities or obligations which may be issued by the Authority pursuant to this Compact, or any amendments hereof or supplements hereto, are hereby declared to be negotiable instruments, and are hereby made securities in which all State and municipal officers and bodies of each State, all banks, bankers, trust companies, savings banks, building and loan associations, saving and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of either State, may properly and legally invest any funds, including capital, belonging to them or within their control; and said obligations are hereby made securities which may properly and legally be deposited with and shall be received by any State or municipal officer or agency of either State for any purpose for which the deposit of bonds or other obligations of such State is now or may hereafter be authorized.

## ARTICLE XIII.

### TAX STATUS.

The powers and functions exercised by the Authority under this Compact and any amendments hereof or supplements hereto are and will be in all respects for the benefit of the people of the States of Delaware and New Jersey, the region and nation, for the increase of their commerce and prosperity and for the enhancement of their general welfare. To this end, the Authority shall be regarded as performing essential governmental functions in exercising such powers and functions and in carrying out the provisions of this Compact and of any law relating thereto, and shall not be required to pay any taxes or assessments of any character, levied by either State or political subdivision thereof, upon any of the property used by it for such purposes, or any income or revenue therefrom, including any profit from a sale or exchange. The bonds or other securities or obligations issued by the Authority, their transfer and the interest paid thereon or income therefrom, including any profit from a sale or exchange, shall at all times be free from taxation by either State or any subdivision thereof.

## ARTICLE XIV.

## JURISDICTION; USE OF LANDS.

Each of the two States hereby consents to the use and occupancy by the Authority of any lands and property of the Authority in such State for the construction, operation, maintenance or improvement of any crossing, transportation or terminal facility or other project which it is or may be authorized at any time to construct, own or operate, including lands lying under water.

## ARTICLE XV.

## REVIEW AND ENFORCEMENT OF RULES.

Judicial proceedings to review any by-law, rule, regulation, order or other action of the Authority or to determine the meaning or effect thereof, may be brought in such court of each State, and pursuant to such law or rules thereof, as a similar proceeding with respect to any agency of such State might be brought.

Each State may provide by law what penalty or penalties shall be imposed for violation of any lawful rule, regulation or order of the Authority, and, by law or rule of court, for the manner of enforcing the same.

## ARTICLE XVI.

## NO PLEDGE OF CREDIT.

The Authority shall have no power to pledge the credit or to create any debt or liability of the State of Delaware, of the State of New Jersey, or of any other agency or of any political subdivision of said States.

## ARTICLE XVII.

## LOCAL COOPERATION.

All municipalities, political subdivisions and every department, agency or public body of each of the States are hereby authorized and empowered to cooperate with, aid and assist the Authority in effectuating the provisions of this Compact and of any amendment hereof or supplement hereto.

## ARTICLE XVIII.

## DEPOSITARIES.

All banks, bankers, trust companies, savings banks and other persons carrying on a banking business under the laws of either State are authorized to give security for the safekeeping and prompt payment of moneys of the Authority deposited by it with them, in such manner and form as may be required by and may be approved by the Authority, which security may consist of a good and sufficient undertaking with such sureties as may be approved by the Authority, or may consist of the deposit with the Authority or other depository approved by the Authority as collateral of such securities as the Authority may approve.

## ARTICLE XIX.

## AGENCY POLICE.

Members of the police force established by the Authority, regardless of their residence, shall have in each State, on the crossings, transportation or terminal facilities and other projects and the approaches thereto, owned, operated or controlled by the Authority, and at such other places and under such circumstances as the law of each State may provide, all the powers of investigation, detention and arrest conferred by law on peace officers, sheriffs or constables in such State or usually exercised by such officers in each State.

## ARTICLE XX.

## REPORTS AND AUDITS.

The Authority shall make annual reports to the Governors and Legislatures of the State of Delaware and the State of New Jersey, setting forth in detail its operations and transactions, and may make such additional reports from time to time to the Governors and Legislatures as it may deem desirable.

It shall, at least annually, cause an independent audit of its fiscal affairs to be made and shall furnish a copy of such audit report together with such additional information or data with respect to its affairs as it may deem desirable to the Governors and Legislatures of each State.

It shall furnish such information or data with respect to its affairs as may be requested by the Governors or Legislatures of each State.

## ARTICLE XXI.

## BOUNDARIES UNAFFECTED.

The existing territorial or boundary lines of the States, or the jurisdiction of the two States established by said boundary lines, shall not be changed hereby.

Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the consent of Congress is hereby given to the States of Delaware and New Jersey to enter into the Compact set forth in this resolution, except that nothing contained in such compact shall be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the area which forms the subject of such compact.

SEC. 2. In addition to any other requirement of law, any project constructed by the Delaware River and Bay Authority in or over the navigable waters of the United States shall be subject to the procedural requirements of section 2(a) of the Fish and Wildlife Coordination Act, as amended (48 Stat. 401; 16 U.S.C. 662(a)).

SEC. 3. Nothing in this resolution shall be construed as—

(a) amending or superseding the provisions of the Act of September 27, 1961 (75 Stat. 688), or

(b) granting the consent of Congress to the use of tolls collected on any crossing for the financing of any transportation or terminal facility constructed or operated by the Authority, or

(c) granting advance consent of Congress for the performance by the Authority of other functions, as contemplated by Article IV, paragraph (c) of the Compact or for the assumption by the Authority of additional powers, as contemplated by Article VIII of the Compact.

SEC. 4. The right is hereby reserved to the Congress or any of its standing committees to require of the Authority the disclosure and furnishing of such information and data as is deemed appropriate by the Congress or any committee thereof having jurisdiction of the subject matter of this resolution.

SEC. 5. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

Approved September 20, 1962.

## Public Law 87-679

### JOINT RESOLUTION

Providing for the designation of the period October 1962 through October 1963 as "National Safety Council Fiftieth Anniversary Year".

September 20, 1962  
[S. J. Res. 222]

Whereas October 1962 marks the beginning of the fiftieth anniversary observance of the founding of the National Safety Council; and

Whereas the council has striven faithfully during this half century to develop and implement sound, effective programs directed toward the prevention of accidents of all kinds; and

Whereas the prevention of accidents is of the greatest importance to the success of our economy and the well-being of our Nation; and  
Whereas the records have shown a notable and steady decline in the rates of accidental death and injury as a result of national programs of the organized safety movement; and

Whereas this decline in accident rates demonstrates the value of nationwide safety activities as carried on under the leadership of the National Safety Council; and

Whereas the Congress enacted a Federal charter for the National Safety Council; and

Whereas the National Safety Council, as a guardian of the public interest, has proved its dedication to the safety and welfare of the Nation's citizens, as set forth in its Federal charter: Therefore be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President is authorized and requested to issue a proclamation designating the period October 1962 through October 1963 as "National Safety Council Fiftieth Anniversary Year," and calling upon the governments of the States and communities and the people of the United States to join in observance of this significant occasion and to increase their efforts to reduce the number of accidents in homes, in industry, in public places, and on our streets and highways.

Approved September 20, 1962.

National Safety  
Council Fiftieth  
Anniversary Year,  
1962-1963.  
Proclamation au-  
thorization.

## Public Law 87-680

### AN ACT

To amend the Cooperative Forest Management Act.

September 25, 1962  
[H. R. 9728]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Cooperative Forest Management Act (64 Stat. 473; 16 U.S.C. 568c, 568d) is amended by striking out of the first sentence of section 2 thereof "\$2,500,000" and inserting "\$5,000,000".

Approved September 25, 1962.

## Public Law 87-681

## AN ACT

To amend the Bankruptcy Act, as amended.

September 25, 1962  
[H. R. 5393]Bankruptcy Act,  
amendment.

66 Stat. 420.

Bankruptcy  
courts.  
Jurisdiction.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That clause (1) of subsection a of section 2 of the Bankruptcy Act approved July 1, 1898, as amended (11 U.S.C. 11(a)(1)), is amended to read as follows:

"(1) Adjudge persons bankrupt who have had their principal place of business, resided, or had their domicile within their respective territorial jurisdictions for the preceding six months, or for a longer portion of the preceding six months than in any other jurisdiction, or who do not have their principal place of business, reside, or have their domicile within the United States, but have property within their jurisdiction, or in any cases transferred to them pursuant to this Act;".

52 Stat. 844;  
66 Stat. 421.

SEC. 2. Subsection a of section 2 of the Bankruptcy Act (11 U.S.C. 11(a)) is amended (1) by deleting the word "and" at the end of clause (20); (2) by striking out the period at the end of clause (21) and inserting "; and"; and (3) by adding the following new paragraph:

"(22) Exercise, withhold, or suspend the exercise of jurisdiction, having regard to the rights or convenience of local creditors and to all other relevant circumstances, where a bankrupt has been adjudged bankrupt by a court of competent jurisdiction without the United States."

52 Stat. 853.  
Evidence.  
Certified copies  
of proceedings,  
etc.

SEC. 3. Subsection d of section 21 of the Bankruptcy Act (11 U.S.C. 44d) is amended to read as follows:

"d. Certified copies of proceedings before a referee, or of papers, when issued by the clerk, referee, or an employee of the referee designated by his order, which shall be filed in the office of the clerk, shall be admitted as evidence with like force and effect as certified copies of the records of district courts of the United States are now or may hereafter be admitted as evidence."

74 Stat. 198.  
Trustees, com-  
pensation.

SEC. 4. The first paragraph of subsection c of section 48 of the Bankruptcy Act (11 U.S.C. 76c) is amended to read as follows:

"c. Trustees. The compensation of trustees for their services, payable after they are rendered, shall be a fee of \$10 for each estate, deposited with the clerk at the time the petition is filed in each case, except where installment payments may be authorized pursuant to section 40 of this Act, and such further sum as the court may allow, as follows:"

11 USC 68.

SEC. 5. Subsection i of section 57 of the Bankruptcy Act (11 U.S.C. 93(i)) is amended to read as follows:

52 Stat. 866.  
Secured claims,  
settlement provi-  
sions.

"i. Whenever a creditor whose claim against a bankrupt estate is secured, in whole or in part, by the individual undertaking of a person, fails to prove and file that claim, that person may do so in the creditor's name, and he shall be subrogated to the rights of the creditor, whether the claim has been filed by the creditor or by him in the creditor's name, to the extent that he discharges the undertaking except that in absence of an agreement to the contrary, he shall not be entitled to any dividend until the amount paid to the creditor on the undertaking plus the dividends paid to the creditor from the bankrupt estate on the claim equal the amount of the entire claim of the creditor. Any excess received by the creditor shall be held by him in trust for such person."

SEC. 6. Clause (6) of subsection a of section 58 of the Bankruptcy Act (11 U.S.C. 94(a)(6)) is amended to read as follows:

"(6) the proposed compromise of a controversy unless the court, for cause shown, directs that notice be not sent;".

SEC. 7. Subsection b of section 59 of the Bankruptcy Act (11 U.S.C. 95(b)) is amended to read as follows:

"b. Three or more creditors who have provable claims not contingent as to liability against a person, amounting in the aggregate to \$500 in excess of the value of any securities held by them, or, if all of the creditors of the person are less than twelve in number, then one or more of the creditors whose claim or claims equal that amount, may file a petition to have him adjudged a bankrupt; but the claim or claims, if unliquidated, shall not be counted in computing the number and the aggregate amount of the claims of the creditors joining in the petition, if the court determines that the claim or claims cannot be readily determined or estimated to be sufficient, together with the claims of the other creditors, to aggregate \$500, without unduly delaying the decision upon the adjudication."

66 Stat. 425.  
Petitions.  
Requirements.

SEC. 8. Clause (1) of subsection a of section 64 of the Bankruptcy Act (11 U.S.C. 104(a)(1)) is amended to read as follows:

"(1) the costs and expenses of administration, including the actual and necessary costs and expenses of preserving the estate subsequent to filing the petition; the fees for the referees' salary and expense fund; the filing fees paid by creditors in involuntary cases or by persons other than the bankrupts in voluntary cases; where property of the bankrupt, transferred or concealed by him either before or after the filing of the petition, is recovered for the benefit of the estate of the bankrupt by the efforts and at the cost and expense of one or more creditors, the reasonable costs and expenses of the recovery; the trustee's expenses in opposing the bankrupt's discharge or in connection with the criminal prosecution of an offense punishable under chapter 9 of title 18 of the United States Code, or an offense concerning the business or property of the bankrupt punishable under other laws, Federal or State; the fees and mileage payable to witnesses as now or hereafter provided by the laws of the United States, and one reasonable attorney's fee, for the professional services actually rendered, irrespective of the number of attorneys employed, to the bankrupt in voluntary and involuntary cases, and to the petitioning creditors in involuntary cases, and if the court adjudges the debtor bankrupt over the debtor's objection or pursuant to a voluntary petition filed by the debtor during the pendency of an involuntary proceeding, for the reasonable costs and expenses incurred, or the reasonable disbursements made, by them, including but not limited to compensation of accountants and appraisers employed by them, in such amount as the court may allow. Where an order is entered in a proceeding under any chapter of this Act directing that bankruptcy be proceeded with, the costs and expenses of administration incurred in the ensuing bankruptcy proceeding shall have priority in advance of payment of the unpaid costs and expenses of administration, including the allowances provided for in such chapter, incurred in the superseded proceeding and in the suspended bankruptcy proceeding, if any;".

66 Stat. 426.  
Order of payment.

18 USC 151-155.

SEC. 9. Subsection b of section 70 of the Bankruptcy Act (11 U.S.C. 110(b)) is amended to read as follows:

"b. The trustee shall assume or reject an executory contract, including an unexpired lease of real property, within sixty days after the adjudication or within thirty days after the qualification of the trustee, whichever is later, but the court may for cause shown extend or reduce the time. Any such contract or lease not assumed or rejected within that time shall be deemed to be rejected. If a trustee is not appointed, any such contract or lease shall be deemed to be rejected within thirty days after the date of the order directing that a trustee be not

52 Stat. 880.  
Executory contracts.



appointed. A trustee shall file, within sixty days after adjudication or within thirty days after he has qualified, whichever is later, unless the court for cause shown extends or reduces the time, a statement under oath showing which, if any, of the contracts of the bankrupt are executory in whole or in part, including unexpired leases of real property, and which, if any, have been rejected by the trustee. Unless a lease of real property expressly otherwise provides, a rejection of the lease or of any covenant therein by the trustee of the lessor does not deprive the lessee of his estate. A general covenant or condition in a lease that it shall not be assigned shall not be construed to prevent the trustee from assuming the same at his election and subsequently assigning the same; but an express covenant that an assignment by operation of law or the bankruptcy of a specified party thereto or of either party shall terminate the lease or give the other party an election to terminate the same is enforceable. A trustee who elects to assume a contract or lease of the bankrupt and who subsequently, with the approval of the court and upon such terms and conditions as the court may fix after hearing upon notice to the other party to the contract or lease, assigns the contract or lease to a third person, is not liable for breaches occurring after the assignment."

SEC. 10. Subsection f of section 70 of the Bankruptcy Act (11 U.S.C. 110(f)) is amended to read as follows:

52 Stat. 882.

Appraisers.

"f. The court shall appoint a competent and disinterested appraiser and upon cause shown may appoint additional appraisers, who shall appraise all the items of real and personal property belonging to the bankrupt estate and who shall prepare and file with the court their report thereof. Real and personal property shall, when practicable, be sold subject to the approval of the court. It shall not be sold otherwise than subject to the approval of the court for less than 75 per centum of its appraised value. Whenever a sale of real or personal property of a bankrupt is made by or through an auctioneer employed by the court, receiver, or trustee, the auctioneer must be a duly licensed or authorized auctioneer in the place where the sale is to be conducted."

SEC. 11. Subsection a of section 77 of the Bankruptcy Act (11 U.S.C. 205(a)) is amended to read as follows:

49 Stat. 911.

Railroads.  
Petition for  
reorganization.

"(a) Any railroad corporation may file a petition stating that it is insolvent or unable to meet its debts as they mature and that it desires to effect a plan of reorganization. The petition shall be filed with the court in whose territorial jurisdiction the corporation, during the preceding six months or the greater portion thereof, has had its principal executive or operating office, and a copy of the petition shall at the same time be filed with the Interstate Commerce Commission (hereinafter called the 'Commission'). When any railroad, although engaged in interstate commerce, lies wholly within one State, the proceedings shall be brought in the United States district court for the district in which its principal operating office has been located during the preceding six months or the greater portion thereof. The petition shall be accompanied by payment to the clerk of a filing fee of \$150. Upon the filing of such a petition, the judge shall enter an order either approving it as properly filed under this section, if satisfied that it complies with this section and has been filed in good faith, or dismissing it, if he is not so satisfied. If the petition is so approved, the court in which the order is entered shall, during the pendency of the proceedings under this section and for the purposes thereof, have exclusive jurisdiction of the debtor and its property wherever located, and shall have and may exercise in addition to the powers conferred by this section all the powers, not inconsistent with this section, which a court of the United States would have had if it had appointed a receiver in equity of the property of the debtor for any purpose. Process of the court

shall extend to and be valid when served in any judicial district. The Supreme Court of the United States shall promulgate rules relating to the service of process outside of the district in which the proceeding is pending, and any other rules which it may deem advisable in order to aid district courts and courts of appeal in exercising the jurisdiction herein conferred upon them. The railroad corporation shall be referred to in the proceedings as a 'debtor'. Any railroad corporation the majority of the capital stock of which having power to vote for the election of directors is owned, either directly or indirectly through an intervening medium, by any railroad corporation filing a petition as a debtor may file, with the court in which the other debtor has filed such a petition, and in the same proceeding, a petition, a copy of which shall also be filed at the same time with the Commission, stating that it is insolvent or unable to meet its debts as they mature, and that it desires to effect a reorganization in connection with, or as a part of the plan of reorganization of the other debtor; and upon the filing of the petition, the judge shall enter an order either approving it as properly filed under this section, if satisfied that it complies with this section and has been filed in good faith, or dismissing it if not so satisfied, and thereupon the court, if it approves the petition, shall have the same jurisdiction with respect to such debtor, its property and its creditors and stockholders, as the court has with respect to the other debtor. Creditors of any railroad corporation, having claims aggregating not less than 5 per centum of all the indebtedness of the corporation as shown in the latest annual report which it has filed with the Commission at the time when the petition is filed, may, if the corporation has not filed a petition under this section, file with the court in which the corporation might file a petition under this section, a petition stating that the corporation is insolvent or unable to meet its debts as they mature and that the creditors have claims aggregating not less than 5 per centum of all such indebtedness of the corporation and propose that it shall effect a reorganization; copies of the petition shall be filed at the same time with the Commission and served upon the corporation. The corporation shall, within ten days after such service, answer the petition. If the answer admits the jurisdiction of the court and the material allegations of the petition, the judge shall enter an order approving the petition as properly filed if satisfied that it complies with this section and has been filed in good faith, or dismissing it, if not so satisfied. If the answer denies either the jurisdiction of the court or any material allegation of the petition, the judge shall summarily determine the issues presented by the pleadings without the intervention of a jury, and if he finds that the material allegations are sustained by the proofs and that the petition complies with this section and has been filed in good faith, the judge shall enter an order approving the petition; otherwise, he shall dismiss the petition. If such a petition is so approved, the proceedings thereon shall continue with like effect as if the railroad corporation had itself filed a petition under this section. If a petition is dismissed, neither the petition nor the answer of a debtor constitute an act of bankruptcy or an admission of insolvency or of inability to meet maturing obligations or be admissible in evidence, without the debtor's consent, in any proceedings then or thereafter pending or commenced under this Act or in any State or United States court. If, in any case in which the issues have not already been tried under the provisions of this subdivision, any of the creditors, prior to the hearing provided for in paragraph (1) of subsection (c) of this section, appear and controvert the facts alleged in the petition, the judge shall determine, as soon as may be, the issues presented by the pleadings, without the intervention of a jury, and, unless the material allegations of the petition are sustained by the proofs, shall dismiss the petition."

"Debtor."

52 Stat. 888.

SEC. 12. Section 160 of the Bankruptcy Act (11 U.S.C. 560) is amended to read as follows:

Trustees.

"SEC. 160. In any case, the judge at any time, without or upon cause shown, may appoint additional trustees and cotrustees, or remove trustees and appoint substitute trustees; and upon each such appointment the judge shall fix a hearing to be held within thirty days to consider objections to the retention in office of the trustee. At least ten days' notice of the hearing shall be given to the persons designated in section 161 of this Act."

52 Stat. 901.

SEC. 13. Section 247 of the Bankruptcy Act (11 U.S.C. 647) is amended to read as follows:

Hearings.

"SEC. 247. The judge shall fix a time of hearing for the consideration of applications for allowances, of which hearing notice shall be given to the applicants, the trustee, the debtor, the creditors, stockholders, indenture trustees, the Securities and Exchange Commission, and such other persons as the judge may designate, except that notice need not be given to any class of creditors or stockholders which does not participate under the plan as confirmed by the court from which no appeal is pending and the time allowed for appeal has expired. In the case of allowances for services and reimbursement in a superseded bankruptcy proceeding, notice need be given only to the applicants, the debtor, the trustee, and the unsecured creditors, and may be given to such other classes of creditors or other persons as the judge may designate. In the case of the dismissal of a proceeding under this chapter and the entry of an order therein directing that bankruptcy be proceeded with, notice of the hearing to consider allowances need not be given to stockholders."

52 Stat. 903.

SEC. 14. Clause (6) of subsection a of section 265 of the Bankruptcy Act (11 U.S.C. 665(a)(6)) is amended to read as follows:

"(6) copies of plans, alterations or modifications in plans, and any notices of hearings on the plans, alterations, or modifications;"

SEC. 15. Clause (7) of subsection a of section 265 of the Bankruptcy Act (11 U.S.C. 665(a)(7)) is amended to read as follows:

"(7) the orders approving any plan or plans or alterations or modifications in plans;"

SEC. 16. Clause (2) of subsection a of section 393 of the Bankruptcy Act (11 U.S.C. 793(a)(2)) is amended to read as follows:

52 Stat. 914.  
Unregistered  
securities.

"(2) any transaction in any security issued pursuant to an arrangement in exchange for claims against the debtor or partly in exchange and partly for cash and/or property, or issued upon exercise of any right to subscribe or conversion privilege so issued, except (A) transactions by an issuer or an underwriter in connection with a distribution otherwise than pursuant to the arrangement, and (B) transactions by a dealer as to securities constituting the whole or a part of an unsold allotment to or subscription by the dealer as a participant in a distribution of such securities by the issuer or by or through an underwriter otherwise than pursuant to the arrangement."

Approved September 25, 1962.

## Public Law 87-682

## AN ACT

September 25, 1962

[H. R. 6413]

To extend to fishermen the same treatment accorded farmers in relation to estimated income tax.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the following provisions of the Internal Revenue Code of 1954 are amended by inserting "or fishing" after "from farming" each place it appears:

Taxes.  
Declaration by  
fishermen.

(1) Section 6015(f) (relating to treatment of return as declaration or amendment).

68A Stat. 737;  
72 Stat. 1660.

(2) Section 6073(b) (relating to time for filing declarations of estimated income tax by individuals).

68A Stat. 750.

(3) Section 6153(b) (relating to installment payments of estimated income tax by individuals who are farmers).

(4) Subsections (b) and (d)(1)(C) of section 6654 (relating to additions to tax for failure by individual to pay estimated income tax).

(b) Section 6073(a) of the Internal Revenue Code of 1954 (relating to time for filing declarations of estimated income tax by individuals other than farmers) is amended by striking out "individuals not regarded as farmers" and inserting in lieu thereof "individuals regarded as neither farmers nor fishermen".

(c) The headings of subsections (a) and (b) of section 6073, and subsection (b) of section 6153, of the Internal Revenue Code of 1954 are each amended by inserting "OR FISHERMEN" after "FARMERS".

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years beginning after December 31, 1962.

Effective date.

Approved September 25, 1962.

## Public Law 87-683

## AN ACT

September 25, 1962

[H. R. 9954]

To amend the Act of June 6, 1924, chapter 270 (43 Stat. 463), relating to the National Capital Park and Planning Commission, as amended by the National Capital Planning Act of 1952 (66 Stat. 781; 40 U.S.C. 71).

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2b of the Act of June 6, 1924 (43 Stat. 463), relating to the National Capital Park and Planning Commission, as amended by the Act of July 19, 1952, chapter 949, known as the National Capital Planning Act of 1952 (66 Stat. 781; 40 U.S.C. 71(a)(b)(1)), is hereby amended by inserting before "the chairmen of the committees" the words "the Administrator of the National Capital Transportation Agency".

National Capital  
Planning Commis-  
sion.  
Membership.

40 USC 71a.

Approved September 25, 1962.

## Public Law 87-684

September 25, 1962  
[H. R. 12870]

## AN ACT

Making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1963, and for other purposes.

Military Construction Appropriation Act, 1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1963, for military construction functions administered by the Department of Defense, and for other purposes, namely:

## MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations and facilities for the Army as currently authorized in military public works or military construction Acts, in sections 2673 and 2675 of title 10, United States Code, to remain available until expended, \$181,272,000.

72 Stat. 1459,  
1460.

## MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, and facilities for the Navy as currently authorized in military public works or military construction Acts, in sections 2673 and 2675 of title 10, United States Code, including personnel in the Bureau of Yards and Docks and other personal services necessary for the purposes of this appropriation, to remain available until expended, \$193,355,000.

## MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as currently authorized in military public works or military construction Acts, in sections 2673 and 2675 of title 10, United States Code, the Act of April 1, 1954 (Public Law 325), without regard to section 9774(d) of title 10, United States Code, to remain available until expended, \$847,810,500.

68 Stat. 47.  
70A Stat. 590.

## MILITARY CONSTRUCTION, DEFENSE AGENCIES

For acquisition, construction, installation and equipment of temporary or permanent public works, installations and facilities for activities and agencies of the Department of Civil Defense (other than the military departments and the Office of Defense), as currently authorized in military public works or military construction acts, in sections 2673 and 2675 of title 10, United States Code, to remain available until expended, \$35,677,000; and, in addition, not to exceed \$20,000,000 to be derived by transfer from the appropriation "Research, development, test, and evaluation, Defense Agencies" as determined by the Secretary of Defense: *Provided*, That the unexpended balances of the appropriation "Military Construction, Advanced Research Projects Agency, Department of Defense" shall be merged with this appropriation and accounted for as one fund effective July 1, 1962: *Provided further*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate.

**MILITARY CONSTRUCTION, ARMY RESERVE**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve, as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, to remain available until expended, \$8,000,000.

10 USC 2231-  
2238.

**MILITARY CONSTRUCTION, NAVAL RESERVE**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps, as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, to remain available until expended, \$7,000,000.

**MILITARY CONSTRUCTION, AIR FORCE RESERVE**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, to remain available until expended, \$5,000,000.

**MILITARY CONSTRUCTION, ARMY NATIONAL GUARD**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, to remain available until expended, \$7,000,000.

**MILITARY CONSTRUCTION, AIR NATIONAL GUARD**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, to remain available until expended, \$14,000,000.

**LORAN STATIONS, DEFENSE**

For construction of additional loran stations by the Coast Guard, to remain available until expended, \$20,000,000, which shall be transferred on approval of the Secretary of Defense to the appropriation, "Acquisition, construction, and improvements", Coast Guard.

**MILITARY CONSTRUCTION, FOREIGN COUNTRIES, DEPARTMENT OF DEFENSE**

The appropriation available to the Department of Defense for "Military Construction, Foreign Countries, Department of Defense", shall not be available for obligation after June 30, 1962.

**DEPARTMENT OF DEFENSE****FAMILY HOUSING MANAGEMENT ACCOUNT**

During the current fiscal year, not to exceed a total of \$712,427,500 shall be available for obligation against the Department of Defense Family Housing Management Account for the purpose of section 501(b) of Public Law 87-554, approved July 27, 1962, as follows:

*Ante*, p. 237.

## For the Army:

Construction, \$46,625,000;  
 Operation and maintenance, \$135,115,000;  
 Debt payments, \$49,863,000.

## For the Navy and Marine Corps:

Construction, \$92,542,000;  
 Operation and maintenance—Navy, \$58,360,000; Marine Corps, \$7,700,000;  
 Debt payments—Navy, \$25,744,000; Marine Corps, \$4,691,000.

## For the Air Force:

Construction, \$100,771,000;  
 Operation and maintenance, \$98,986,000;  
 Debt payments, \$89,574,000.

## For Defense Agencies:

Operation and maintenance, \$2,456,500.

The foregoing amounts available for obligation for operation and maintenance may be increased as determined by the Secretary of Defense: *Provided*, That such increased amounts are transferred from applicable operation and maintenance appropriations for the current fiscal year: *Provided further*, That the total obligations against the account are authorized to be increased accordingly.

## GENERAL PROVISIONS

SEC. 101. Funds appropriated to the military departments for construction in prior years are hereby made available for construction authorized for each such department by the authorizations enacted into law during the second session of the Eighty-seventh Congress.

Cost-plus-a-  
fixed-fee contract.

SEC. 102. None of the funds appropriated in this Act shall be expended for payments under a cost-plus-a-fixed-fee contract for work where cost estimates exceed \$25,000 to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

Expediting con-  
struction.

SEC. 103. None of the funds appropriated in this Act shall be expended for additional costs involved in expediting construction unless the Secretary of Defense certifies such costs to be necessary to protect the national interest and establishes a reasonable completion date for each project, taking into consideration the urgency of the requirement, the type and location of the project, the climatic and seasonal conditions affecting the construction and the application of economical construction practices.

Bakeries, laun-  
dries, etc.

SEC. 104. None of the funds appropriated in this Act shall be used for the construction, replacement, or reactivation of any bakery, laundry, or drycleaning facility in the United States, its Territories or possessions, as to which the Secretary of Defense does not certify, in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates.

Motor vehicles,  
hire, etc.

SEC. 105. Funds appropriated to the military departments for construction are hereby made available for: (1) hire of passenger motor vehicles, and (2) the construction, or acquisition by lease or otherwise, of family housing and community facilities projects in foreign countries as authorized by section 407(b) of the Act of September 1, 1954 (68 Stat. 1119), as amended.

SEC. 106. Appropriations to the military departments for construction may be charged for the cost of administration, supervision and

inspection of family housing authorized pursuant to title IV of the Act of August 11, 1955 (Public Law 345), as amended, in an amount not to exceed 3½ per centum of the cost of each such project: *Provided*, That such appropriations shall be reimbursed from the proceeds of any mortgage executed on each such project.

69 Stat. 646.  
12 USC 1748a-  
1748g, 1720;  
42 USC 1594-  
1594f.

SEC. 107. Funds appropriated to the military departments for construction may be used for advances to the Bureau of Public Roads, Department of Commerce, for the purposes of section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

72 Stat. 908;  
75 Stat. 123.

SEC. 108. None of the funds appropriated in this Act may be used to begin construction of new bases for which specific appropriations have not been made.

New bases.

SEC. 109. During the current fiscal year, appropriations available for construction of family quarters for personnel shall not be obligated for such construction at a cost per family unit in excess of \$22,000 on housing units for generals or equivalent; \$19,800 on housing units for colonels or equivalent; \$17,600 on housing units for majors and lieutenant colonels, or equivalent; \$15,400 on housing units for second lieutenants, lieutenants, captains, and warrant officers, or equivalent; or \$13,200 on housing units for enlisted personnel, except that when such units are constructed outside the continental United States or in Alaska, the average cost per unit of all such units shall not exceed \$32,000 and in no event shall the individual cost exceed \$40,000.

Family quarters.

SEC. 110. No part of the funds contained in this Act shall be used to incur obligations for the planning, design, or construction of facilities for an Air Force Academy the total cost of which will be in excess of \$140,986,000, except for construction pursuant to section 2674 of title 10, United States Code, as amended.

Air Force Acad-  
emy.

SEC. 111. No part of the funds provided in this Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Bureau of Yards and Docks, except: (a) where there is a determination of value by a Federal court, (b) purchases negotiated by the Attorney General or his designee, and (c) where the estimated value is less than \$25,000.

72 Stat. 1459.  
Land purchase.

SEC. 112. None of the funds appropriated in this Act may be used to make payments under contracts for any project in a foreign country unless the Secretary of Defense or his designee, after consultation with the Secretary of the Treasury or his designee, certifies to the Congress that the use, by purchase from the Treasury, of currencies of such country acquired pursuant to law is not feasible for the purpose, stating the reason therefor.

Foreign proj-  
ects.

SEC. 113. This Act may be cited as the Military Construction Appropriation Act, 1963.

Short title.

Approved September 25, 1962.

## Public Law 87-685

### AN ACT

To amend section 9 of the Act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources.

September 25, 1962  
[S. 3064]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the last sentence of section 9 of the Act of May 22, 1928, as amended (45 Stat. 699, 702; 16 U.S.C. 581h), is hereby amended by striking out "\$1,500,000" and inserting in lieu thereof "\$2,500,000".

63 Stat. 271.

Approved September 25, 1962.



## Public Law 87-686

September 25, 1962  
[S. 2357]

## AN ACT

To provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia.

The Act for the  
Regulation of  
Credit Life Insur-  
ance and Credit  
Accident and  
Health Insurance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) this Act, regulating credit life insurance and credit accident and health insurance in the District of Columbia may be cited as "The Act for the Regulation of Credit Life Insurance and Credit Accident and Health Insurance".

(b) All life insurance and all accident and health insurance in connection with loans or other credit transactions of less than five years duration in the District of Columbia shall be subject to the provisions of this Act. Such insurance written in connection with a loan or other credit transaction of five years duration or more shall not be subject to the provisions of this Act, nor shall such insurance be subject to the provisions of this Act if the issuance of the insurance is an isolated transaction on the part of the insurer not related to a plan or regular course of conduct for insuring debtors of the creditor.

## DEFINITIONS

SEC. 2. For the purpose of this Act—

(a) "Commissioners" means the Commissioners of the District of Columbia;

(b) "Credit life insurance" means insurance issued on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction;

(c) "Credit accident and health insurance" means insurance against the disability of a debtor which provides indemnity for payments on a specific loan or other credit transaction;

(d) "Creditor" means the lender of money or vendor of goods, services, or property, including a lessor under a lease intended as a security, for which payment is arranged through a loan or other credit transaction, and includes any successor to the right, title, or interest of any such lender, vendor, or lessor;

(e) "Debtor" means a borrower of money or purchaser of goods, services, or property, including a lessee under a lease intended as a security, for which payment is arranged through a loan or other credit transaction;

(f) "District" means the District of Columbia;

(g) "Indebtedness" means the amount payable by a debtor to a creditor in connection with a loan or other credit transaction; and

(h) "Superintendent" means the Superintendent of Insurance of the District of Columbia.

## FORMS OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND HEALTH INSURANCE

SEC. 3. Credit life insurance and credit accident and health insurance shall be issued only in the following forms:

(a) Individual policies of life insurance issued to debtors on the term plan;

(b) Individual policies of accident and health insurance issued to debtors on a term plan or disability provisions in individual life policies to provide such coverage;

(c) Group policies of life insurance issued to creditors providing insurance upon the lives of debtors on the term plan;

(d) Group policies of accident and health insurance issued to creditors on a term plan insuring debtors or disability provisions in group life policies to provide such coverage.

AMOUNT OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND  
HEALTH INSURANCE

SEC. 4. (a) The amount of credit life insurance shall not exceed the initial indebtedness however the indebtedness may be repayable: *Provided, however,* That nothing contained herein shall be deemed to supersede or repeal the limitation on the amount of group insurance specified in section 10(2)(d) of chapter V of the Life Insurance Act of the District of Columbia, as amended (48 Stat. 1164; sec. 35-710 (2)(d), D.C. Code, 1951 ed.). In cases where an indebtedness is repayable in substantially equal installments, the amount of insurance shall at no time exceed the scheduled amount of unpaid indebtedness in the case of any individual policy or the actual amount of the unpaid indebtedness in the case of any group policy.

64 Stat. 330.

(b) The amount of indemnity payable by credit accident and health insurance in the event of disability, as defined in the policy, shall not exceed the aggregate of the periodic scheduled unpaid installments of indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments.

TERM OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND  
HEALTH INSURANCE

SEC. 5. The term of any credit life insurance or credit accident and health insurance shall, subject to acceptance by the insurance company, commence on the date when the debtor becomes obligated to the creditor, except that where a group policy provides coverage with respect to existing obligations the insurance on a debtor with respect to such indebtedness shall commence on the effective date of the policy. Where evidence of insurability is required and such evidence is furnished more than thirty days from the date when the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurance company determines the evidence to be satisfactory, and in such event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance. The term of such insurance shall not extend more than fifteen days beyond the scheduled maturity date of the indebtedness except when extended without additional cost to the debtor. If the indebtedness is discharged due to renewal or refinancing prior to the scheduled maturity date, the insurance in force shall be terminated before any new insurance may be issued in connection with the renewal or refinanced indebtedness. In all cases of termination prior to scheduled maturity, a refund shall be paid or credited as provided in section 8.

PROVISIONS OF POLICIES AND CERTIFICATES OF INSURANCE; DISCLOSURE TO  
DEBTORS

SEC. 6. (a) All credit life insurance and credit accident and health insurance shall be evidenced by an individual policy, or in the case of group insurance by a group policy and individual certificates of insurance.

(b) Each individual policy or certificate of credit life insurance, each individual policy or certificate of credit accident and health insurance, and each individual policy or certificate of credit life insur-

ance and credit accident and health insurance shall, in addition to other requirements of law, set forth the name and home office address of the insurance company, and the identity by name or otherwise of the person insured, the rate or amount of payment, if any, by the debtor separately in connection with credit life insurance and credit accident and health insurance, a description of the coverage, including the amount and term thereof (which in the case of group insurance may be by description rather than stated amount and term), any exceptions, limitations, or restrictions, and shall state that the benefits shall be paid to the creditor to reduce or extinguish the unpaid indebtedness and, whenever the amount of insurance may exceed the unpaid indebtedness, that any such excess shall be payable to a beneficiary, other than the creditor, named by the debtor or to his estate.

(c) Except as hereinafter provided, an individual policy or certificate of insurance shall be delivered to the insured debtor at the time the indebtedness is incurred.

(d) If a debtor makes a separate payment for credit life or credit accident and health insurance and an individual policy or certificate of insurance is not delivered to the debtor at the time the indebtedness is incurred, a copy of the application for such policy or a notice of proposed insurance shall be delivered at such time to the debtor by the creditor. The copy of the application for or notice of proposed insurance shall be signed by the debtor and shall set forth the identity by name or otherwise of the person insured; the rate or amount of payment by the debtor separately for credit life insurance and credit accident and health insurance; and a statement that within thirty days, if the insurance is accepted by the insurance company, there will be delivered to the debtor an individual policy or certificate of insurance containing the name and home office address of the insurance company, and a description of the amount, term, and coverage including any exceptions, limitations, and restrictions. The copy of the application for, or notice of, proposed insurance shall refer exclusively to insurance coverage, and shall be separate and apart from the loan, sale, or other credit statement of account, instrument, or agreement unless the information required by this subsection is prominently set forth in such statement of account, instrument, or agreement. If a debtor does not make a separate payment for credit life or credit accident and health insurance, an application need not be taken or a notice of proposed insurance given. In any case, upon acceptance of the insurance by the insurance company, and within thirty days of the date upon which the term of the insurance commences, the insurance company shall cause the individual policy or certificate of insurance to be delivered to the debtor. Said application or notice of proposed insurance shall state that, upon acceptance by the insurance company, the insurance shall become effective as provided in section 5.

#### FILING, APPROVAL, AND WITHDRAWAL OF FORMS

SEC. 7. (a) All forms of policies, certificates of insurance, notices of proposed insurance, applications for insurance, binders, endorsements and riders delivered or issued for delivery in the District and the premium rates pertaining thereto shall be filed with the Superintendent by the insurance company, in such manner and together with such supporting information as the Superintendent may reasonably require. In any case where a group policy is made for a group in the District and the policy is neither delivered nor issued for delivery in the District, the form of policy and all other forms and premium rates referred to in the preceding sentence shall be filed with the Superintendent by the insurance company.

(b) The Superintendent may, within thirty days after the filing of any form of policy, certificate of insurance, notice of proposed insurance, application for insurance, binder, endorsement or rider, disapprove any such form if the premium rates charged or to be charged appear by reasonable assumptions to be excessive in relation to benefits paid or to be paid, or if the form contains provisions which are unjust, unfair, inequitable, misleading, or deceptive. In determining whether to disapprove any such form the Superintendent may give due consideration to past and prospective loss experience within and outside the District, to underwriting practice and judgment to the extent appropriate, and to all other relevant factors within and outside the District, and he may take into account the experience of the individual company.

(c) If the Superintendent notifies the insurance company that the form does not comply with the requirements of this Act, it shall be unlawful thereafter for such insurance company to issue or use such form. In such notice, the Superintendent shall specify the reason for his disapproval and state that a hearing will be granted promptly upon request in writing by the insurance company. No such policy, certificate of insurance, notice of proposed insurance, application for insurance, binder, endorsement, or rider shall be issued or used until the expiration of thirty days after it has been so filed, unless the Superintendent shall give his prior written approval thereto.

(d) The Superintendent may, at any time after a hearing, held after not less than twenty days' written notice to the insurance company, withdraw his approval of any such form if it does not meet the requirements of this Act.

(e) The insurance company shall not issue such forms or use them after the effective date of such withdrawal of approval.

(f) The insurance company may revise such forms and the premium rates pertaining thereto from time to time, and such revised forms and premium rates shall be filed with the Superintendent and shall be subject to all the preceding requirements of this section, in like manner as though they were original filings with the Superintendent.

#### REFUNDS

SEC. 8. (a) Each individual policy or certificate of credit life insurance or credit accident and health insurance shall provide that in the event of termination of the insurance prior to the scheduled maturity date of the indebtedness, any refund of an amount paid by the debtor for insurance shall be paid or credited promptly to the person entitled thereto: *Provided*, That the Superintendent shall prescribe a minimum refund and no refund which would be less than such minimum need be made. The formula to be used in computing refunds shall be filed with the Superintendent who may disapprove such formula if he finds that it is unjust or unreasonable.

(b) If a creditor requires a debtor to make a payment in connection with credit life insurance or credit accident and health insurance and an individual policy or certificate of insurance is not issued, the creditor shall promptly give written notice to such debtor and shall promptly make an appropriate credit to the account.

(c) The amount charged to a debtor for credit life or credit accident and health insurance shall not exceed the premium rate charged by the insurance company at the time the charge to the debtor is determined.

## CLAIMS

SEC. 9. (a) All claims shall be paid either by draft drawn upon the insurance company or by check of the insurance company to the order of the claimant to whom payment of the claim is due pursuant to the policy provisions, or upon direction of such claimant to one specified, and every insurance company shall be held to strict settlement of all such claims.

(b) It shall be unlawful for any creditor, having received any such check or draft from such insurance company, to fail to correctly credit the account, pay to or upon the direction of, or otherwise correctly account to the claimant to whom payment is due for the full amount of such check or draft, less any lawful deductions therefrom.

(c) No plan or arrangement shall be used whereby any person, firm, or corporation other than the insurance company or its designated claim representative shall be authorized to settle or adjust claims. The creditor shall not be designated as claim representative for the insurance company in adjusting claims, nor, in the case of an individual creditor, shall the spouse of such creditor or any relative of the creditor or spouse within the third degree of consanguinity be so designated, nor shall any officer or employee of a corporate creditor or any spouse or relative of such officer, employee, or spouse within the third degree of consanguinity be so designated: *Provided*, That a group policyholder may, by arrangement with the group insurance company, draw drafts or checks in payment of claims due to the group policyholder subject to audit and review by the insurance company.

## EXISTING INSURANCE—CHOICE OF INSURER

SEC. 10. When credit life insurance or credit accident and health insurance is required as additional security for any indebtedness, the creditor may not require that the insurance be written through any particular insurance company or any particular agent, and the debtor shall, upon request to the creditor, have the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by him or of procuring and furnishing the required coverage through any insurance company authorized to transact an insurance business within the District.

## ENFORCEMENT

SEC. 11. (a) In the case of any violation of this Act by an insurance company, agent, solicitor, or broker, the Superintendent shall have authority to proceed in accordance with the provisions of sections 6 and 27 of the Act approved June 19, 1934, as amended (48 Stat. 1131 and 1140; secs. 35-405 and 35-426, D.C. Code, 1951 ed.), and sections 3 and 36 of the Act approved October 9, 1940, as amended (54 Stat. 1066 and 1079; secs. 35-1306 and 35-1340, D.C. Code, 1951 ed.).

(b) In the case of any violation of this Act by a creditor or by any other person not licensed in the District as an insurance agent, solicitor, or broker, regardless of the fact that such creditor or other person is not required by law to be so licensed, the penalties and the procedure for their imposition shall be as set forth in section 43 of the Act approved October 9, 1940, as amended (54 Stat. 1082; sec. 35-1347, D.C. Code, 1951 ed.).

72 Stat. 20, 21.

72 Stat. 21, 25.

## JUDICIAL REVIEW

SEC. 12. Any insurance company, agent, solicitor, or broker aggrieved by any order or action of the Superintendent under this Act may contest the validity of such order or action by appeal or through any other appropriate proceeding, in accordance with the procedures prescribed by sections 44 and 45 of the Act approved October 9, 1940, as amended (54 Stat. 1082; secs. 35-1348 and 35-1349, D.C. Code, 1951 ed.): *Provided*, That any such insurance company, agent, solicitor, or broker which is licensed in the District under the Life Insurance Act approved June 19, 1934, as amended (48 Stat. 1127, et seq.; sec. 35-301, et seq., D.C. Code, 1951 ed.), may contest the validity of such order or action by appeal or through any other appropriate proceeding in accordance with the procedures prescribed by such Act approved June 19, 1934.

## EFFECT OF REORGANIZATION PLAN NUMBERED 5 OF 1952

SEC. 13. Nothing in this Act shall be construed so as to affect the authority vested in the Commissioners by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Commissioners or in any office or agency under the jurisdiction and control of said Commissioners may be delegated by said Commissioners in accordance with section 3 of such plan.

D. C. Code title  
1 app.

## EFFECTIVE DATE

SEC. 14. This Act shall take effect ninety days after its approval.

Approved September 25, 1962.

## Public Law 87-687

## AN ACT

September 25, 1962  
[S. 2696]

To correct certain land descriptions in the Act entitled "An Act to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands".

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 7 of the Act entitled "An Act to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands", approved September 14, 1961 (75 Stat. 500), is amended by striking out—

Indian pueblos,  
N. Mex.  
Land descrip-  
tions, correction.

75 Stat. 504.

"Township 8 north, range 2 east:

"Section 4, lots 1, 2, 3, 4, 13, 14, 15, and 16, south half north half;

"Section 6, lots 1, 2, 12, 13, 14, and 15, northeast quarter east half northwest quarter."

and inserting in lieu thereof

"Township 8 north, range 1 east:

"Section 4, lots 1, 2, 3, 4, 13, 14, 15, and 16, south half north half;

"Section 6, lots 1, 2, 12, 13, 14, and 15, northeast quarter, east half northwest quarter."

Approved September 25, 1962.

## Public Law 87-688

September 25, 1962  
[H. R. 10062]

## AN ACT

To extend the application of certain laws to American Samoa.

American Samoa.  
Application of  
certain laws, ex-  
tension.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, upon request of the Secretary of the Interior—*

(a) the head of any Federal department, agency, or corporation may, notwithstanding any other provision of law, extend to American Samoa, without reimbursement, such scientific, technical, and other assistance under any program which it administers as, in the judgment of the Secretary of the Interior, will promote the welfare of American Samoa. The provisions of the preceding sentence shall not apply to financial assistance under any grant-in-aid program. The Secretary of the Interior shall not request assistance pursuant to this subsection which will involve nonreimbursable costs as estimated for him in advance by the heads of the departments, agencies, and corporations concerned in excess of an aggregate of \$150,000 in any one fiscal year;

(b) the Secretary of Agriculture may extend to American Samoa the benefits of the National School Lunch Act (60 Stat. 230), as amended (42 U.S.C. 1751 et seq.); and

(c) the Secretary of Health, Education, and Welfare may extend to American Samoa the benefits of the Vocational Education Act of 1946 (60 Stat. 775; 20 U.S.C. 15i et seq.), the Library Services Act (70 Stat. 293; 20 U.S.C. 351 et seq.), the Hospital Survey and Construction Act (Act of August 13, 1946; 60 Stat. 1040; 42 U.S.C. 291 et seq.), and section 314 of the Public Health Service Act (58 Stat. 693; 42 U.S.C. 246), all as amended.

## VOCATIONAL EDUCATION

SEC. 2. (a) American Samoa shall be entitled to share in the benefits of the Vocational Education Act of 1946 (20 U.S.C. 15i et seq.), and any Act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. There is hereby authorized to be appropriated, for the fiscal year ending June 30, 1962, and annually thereafter, the sum of \$80,000, to be available for allotment to American Samoa under such Act and the modifications hereinafter provided.

(b) Sums appropriated under the authority of subsection (a) of this section shall be allocated for vocational education in (1) agriculture, (2) home economics, (3) trades and industries, and (4) distributive occupations, in the proportion which the amount authorized to be appropriated under paragraphs (1), (2), (3), and (4), respectively, of section 3 of the Vocational Education Act of 1946, bears to the sum of such amounts except insofar as the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, deems it necessary to modify said proportions to meet special conditions existing in American Samoa.

(c) The provisions of section 3, section 7, and section 8(b) of the Vocational Education Act of 1946, shall apply to sums appropriated under this section with such modifications as the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, shall deem necessary to meet special conditions existing in American Samoa.

(d) In addition to the sums authorized to be appropriated under section 9 of the Vocational Education Act of 1946, there are hereby

60 Stat. 775.  
20 USC 15j.

20 USC 15j, 15o,  
15p.

20 USC 15q.

authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this section, such sums to be expended for the same purposes and in the same manner as provided in section 7 of the Act of February 23, 1917 (20 U.S.C. 15).

39 Stat. 933.

## NATIONAL SCHOOL LUNCH ACT

SEC. 3. (a) The National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by inserting "American Samoa," after "Guam," wherever appearing in such Act, except that after "the apportionment for Guam," in section 4, such Act is amended by inserting the following: "the apportionment for American Samoa,".

60 Stat. 230.

66 Stat. 591.  
42 USC 1753.

(b) The amendments made by this section shall be applicable only with respect to funds appropriated after the date of enactment of this Act.

Applicability.

## PUBLIC HEALTH SERVICE ACT

SEC. 4. (a) The Public Health Service Act (42 U.S.C. 201 et seq.) is amended as follows:

58 Stat. 682.

(1) in section 314 strike out subsection (1) and insert in lieu thereof the following:

70 Stat. 910.  
42 USC 246.

"(1) Except as otherwise provided in this subsection the provisions of this section shall be applicable to Guam and American Samoa in the same manner in which they apply to the States. Amounts paid to Guam or American Samoa from its allotment under subsection (a), (b), (c), or (e) of this section, together with matching funds of Guam or American Samoa, respectively, may, with the approval of the Surgeon General, be expended in carrying out the purposes specified in any such subsection or subsections other than the one under which the allotment was made.";

(2) in subsections (a) and (d) of section 631 insert "American Samoa," after "Guam,"; and

42 USC 291i.

(3) in sections 624 and 652 insert a comma and "American Samoa," after "Virgin Islands".

42 USC 291g,  
291t.

(b) The amendments made by this section shall become effective July 1, 1962.

Effective date.

## LIBRARY SERVICES ACT

SEC. 5. (a) The Library Services Act (20 U.S.C. 351 et seq.) is amended as follows:

70 Stat. 293.

(1) in subsection (a) of section 4 strike out "and to the Virgin Islands" and insert in lieu thereof a comma and "American Samoa, and the Virgin Islands";

20 USC 353, 355.

(2) in subsection (a) of section 6 strike out "and of Guam" and insert in lieu thereof a comma and "American Samoa, or Guam"; and

(3) in the remainder of such Act insert "American Samoa," after "Guam," wherever appearing therein.

(b) The amendments made by this section shall become effective July 1, 1962.

Effective date.

Approved September 25, 1962.

Public Law 87-689

## AN ACT

To amend section 2 of the Act of July 31, 1947 (61 Stat. 681), and for other purposes.

September 25, 1962  
[H. R. 9280]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act of July 31, 1947 (61 Stat. 681; 30 U.S.C. 602), is hereby amended to read as follows:

Materials on  
public lands.  
Sale.



"SEC. 2. (a) The Secretary shall dispose of materials under this Act to the highest responsible qualified bidder after formal advertising and such other public notice as he deems appropriate: *Provided, however,* That the Secretary may authorize negotiation of a contract for the disposal of materials if—

"(1) the contract is for the sale of less than two hundred fifty thousand board-feet of timber; or, if

"(2) the contract is for the disposal of materials to be used in connection with a public works improvement program on behalf of a Federal, State, or local governmental agency and the public exigency will not permit the delay incident to advertising; or, if

"(3) the contract is for the disposal of property for which it is impracticable to obtain competition.

Report to Congress.

"(b) A report shall be made to Congress on January 1 and July 1 of each year of the contracts made under clauses (2) and (3) of subsection (a) during the period since the date of the last report. The report shall—

"(1) name each purchaser;

"(2) furnish the appraised value of the material involved;

"(3) state the amount of each contract;

"(4) describe the circumstances leading to the determination that the contract should be entered into by negotiation instead of competitive bidding after formal advertising."

Repeal.

SEC. 2. The Act of March 4, 1913 (37 Stat. 1015), as amended by the Act of July 3, 1926 (44 Stat. 890; 16 U.S.C. 614-615), is hereby repealed. Rights and liabilities existing under that Act on the date of the enactment of this Act shall not be affected thereby.

Approved September 25, 1962.

## Public Law 87-690

### AN ACT

September 25, 1962  
[H. R. 12459]

To provide for the relief of certain enlisted members of the Coast Guard.

Coast Guard.  
Relief of enlisted  
members.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all payments of basic allowance for subsistence heretofore made to enlisted members of the Coast Guard who were assigned to the Coast Guard air detachments located at New Orleans, Louisiana; Biloxi, Mississippi; or Corpus Christi, Texas, during the period beginning on July 1, 1958, and ending on May 23, 1961, and which are otherwise correct, are validated to the extent that those allowances were paid because the military commander concerned determined that no Government mess was available to those enlisted members under section 310 of the Career Compensation Act of 1949, as amended (37 U.S.C. 251). Any enlisted member who has made a repayment to the United States of the amount so paid to him as a basic allowance for subsistence is entitled to be paid the amount involved, if otherwise proper.

63 Stat. 812;  
69 Stat. 538.

Relief of certifying officers.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve authorized certifying officers of the Coast Guard from accountability or responsibility for any payments described in the first section of this Act, and shall allow credits in the settlement of the accounts of those officers for payments which are found to be free from fraud and collusion.

SEC. 3. Appropriations available to the United States Coast Guard for the pay and allowances of military personnel are available for payments under this Act.

Approved September 25, 1962.

## Public Law 87-691

## AN ACT

To amend provisions of law relating to personal property coming into the custody of the property clerk, Metropolitan Police Department, and for other purposes.

September 25, 1962  
[S. 3317]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 413 of the Revised Statutes of the United States relating to the District of Columbia, as amended (sec. 4-156, D.C. Code, 1961 edition), is amended by adding thereto the following subsection:

D. C.  
Metropolitan  
Police Dept.  
Personal prop-  
erty.  
55 Stat. 185.

“(e) Whenever the owner of property in the custody of the property clerk has been notified by the property clerk, by registered or certified mail, to take possession of such property within thirty days after the date of mailing of such notification, and such owner fails so to do within such period, such property shall be thereafter treated as other unclaimed, abandoned, or lost property and shall be disposed of as provided in section 417 of this chapter: *Provided*, That if, in the opinion of the property clerk, such property has no salable value, and if within thirty days after the date of mailing such notification such property is not reclaimed by its owner and removed by him from the custody of the property clerk, such property shall be disposed of by destruction or otherwise, as the Commissioners of the District of Columbia by regulation or order shall provide.”

Post, p. 591.

SEC. 2. Section 416 of the Revised Statutes of the United States relating to the District of Columbia, as amended (sec. 4-159, D.C. Code, 1961 edition), is amended to read as follows:

“SEC. 416. (a) All property or money taken on suspicion of having been feloniously obtained, or of being the proceeds of crime, and for which there is no other claimant than the person from whom such property was taken, and all lost property coming into possession of any member of the police force, and all property and money taken from pawnbrokers as the proceeds of crime or from persons alleged to be insane, intoxicated, or otherwise incapable of taking care of themselves, shall be transmitted as soon as practicable to the property clerk to be fully registered and advertised for the benefit of all parties interested, and for the information of the public as to the amount and disposition of the property so taken into custody by the police.

Feloniously ob-  
tained property.

“(b) (1) Whenever any money or property of a deceased person of a value of less than \$1,000 coming into the custody of the property clerk shall remain in his custody for a period of six months or more without being claimed and repossessed by the next of kin or the legal representative of such deceased person, such money or property shall be disposed of as lost or abandoned property as provided in section 417 of this chapter: *Provided*, That prior to the disposition of such property of a deceased person it shall be the duty of the property clerk to ascertain whether there is pending in the United States District Court for the District of Columbia any petition seeking the appointment of a legal representative of such deceased person, and, if such a petition is pending in such court, the property clerk shall not dispose of such property until final disposition by the court of such petition: *Provided further*, That in any case where the property clerk acquires actual knowledge that a petition for the appointment of a legal representative of such deceased person has been filed or is pending in a court outside of the District of Columbia, the property clerk shall not dispose of such property until final disposition by the court of such petition.

Deceased persons'  
property.

Post, p. 591.

“(b) (2) Whenever any money or property of a deceased person shall be of a value of \$1,000 or more and shall have remained in the

custody of the property clerk for at least six months, all records pertaining to the same shall be referred by the property clerk to the Corporation Counsel of the District of Columbia for the purpose of instituting appropriate proceedings to effect the appointment of an administrator of the estate of such decedent: *Provided*, That upon expiration of the time for final settlement of such estate under law then in effect, the residue thereof in the absence of any claim by the heirs-at-law or next of kin of the decedent, as provided by law, shall be deposited into the Registry of the Probate Court, and upon the expiration of a period of three years, no demand having been made upon such funds by lawful heirs or other rightful claimants, the amount so deposited in such registry shall be deposited in the Treasury to the credit of the District of Columbia: *Provided further*, That if the administrator does not take possession of such property within three months from the date of his appointment, the property clerk may, after giving such administrator thirty days' notice by registered or certified mail, sell such property at public auction, and, after deducting the expenses of such sale, and expense incident to the maintenance of custody of such property, shall pay the remaining proceeds of such sale over to such administrator.

Insane persons' property.

"(c) Whenever the property clerk has custody of any property belonging to any person who has been adjudged of unsound mind and a committee has been appointed for such person but fails to take possession of the property of such person in the custody of the property clerk within six months from the date of such committee's appointment, the property clerk shall give such committee sixty days' notice by registered or certified mail of his intention to sell such property at public auction or otherwise dispose of such property in accordance with law. If, upon the expiration of such sixty days' notice, the committee has not taken custody of such property, (a) the property clerk is authorized to sell such property at public auction, and, after deducting the expenses of the sale, expenses incident to the maintenance and custody of such property, and any amounts due the District of Columbia for care and maintenance of the adjudicated patient, shall pay the remaining proceeds of the sale over to such committee, or (b) if in the opinion of the property clerk any such property has no salable value, he is authorized to dispose of such property by destruction or otherwise as the Commissioners of the District of Columbia shall, by regulation or order, determine.

Storage.

"(d) (1) The said Commissioners are authorized, in their discretion, to store in any commercial warehouse or garage in the District of Columbia, or in or on any facility under the jurisdiction of the District of Columbia, any property coming into the custody of the property clerk pursuant to this chapter, including vehicles impounded by any officer or member of the Metropolitan Police force.

Fees.

"(2) The Commissioners are authorized to fix, by regulation, the fees to be charged to reimburse the District of Columbia for the cost of services rendered by the Metropolitan Police force in taking custody of and protecting such property and for the cost of storing such property in any commercial warehouse or garage, and whenever any such property is stored in or on any facility under the jurisdiction of the District of Columbia, the Commissioners shall fix the storage fee in an amount reasonably estimated by them to be the value of the storage service rendered for each day during which such property is so stored, and to collect all such fees due and owing for such property before releasing such property to its owner or his legal representative: *Provided*, That the Commissioners are authorized, in their discretion, to waive the charging and collecting of such fees for property taken into custody as evidence, the proceeds of crime, or from persons sup-

posed to be insane: *Provided further*, That the property clerk is authorized to sell at public auction pursuant to subsection (a) of section 417 of this chapter any property stored in a commercial garage or warehouse, when the storage charges for such property exceed 75 per centum of its value as determined by the property clerk, regardless of the amount of time for which such property is required by other sections of this chapter to be held by the property clerk.

*Infra.*

“(3) Fees collected by reason of this section shall be deposited in the Treasury to the credit of the District of Columbia.”

SEC. 3. Subsections (a), (b), and (c) of section 306 of the Act approved June 29, 1953 (67 Stat. 101, ch. 159), are hereby repealed.

*Repeal.*

SEC. 4. Section 417 of the Revised Statutes of the United States relating to the District of Columbia, as amended (sec. 4-160, D.C. Code, 1961 edition), is amended to read as follows:

*Sale at public auction.*

“SEC. 417. (a) All property, except perishable property and animals and property of insane persons, not otherwise disposed of in accordance with section 416 of this chapter, that shall remain in the custody of the property clerk for not less than ninety days, except motor vehicles which shall be held for not less than sixty days, without being claimed and repossessed, shall, after having been three times advertised in a daily newspaper of general circulation published in the District of Columbia, be sold at public auction, and the proceeds of such sale, after deducting the expenses of the sale, and all other expenses incident to such custody, having been retained by the said property clerk for a period of at least ninety days without being claimed and repossessed, shall be deposited in the Treasury to the credit of the District of Columbia: *Provided*, That if in the opinion of the property clerk any such property has no salable value, he is authorized to dispose of such property by destruction or otherwise as the Commissioners of the District of Columbia shall, by order or regulation, determine.

*Supra.*

“(b) Whenever the property clerk shall have in his custody any motor vehicle upon which there is a lien or liens of record in the Office of the Recorder of Deeds of the District of Columbia he shall, prior to the sale thereof pursuant to this section, notify by registered or certified mail each lienor and lienee in any such case of such custody and impending sale, and if such lienor or lienee fail to remove such property from the custody of the property clerk within thirty days from the date of the mailing of such notification, such lien or liens shall be considered to have been abandoned, and shall be thenceforth null and void. Upon being notified in writing of such fact by the property clerk, the Recorder of Deeds of the District of Columbia is authorized to indicate on his records that such lien or liens are thenceforth null and void and the property clerk is authorized to sell any such motor vehicle at public auction free and clear of such lien or liens; except that the proceeds of such sale shall be available, first, for the payment of all expenses incident to such sale and custody; second, for the payment of such liens so declared null and void; third, for payment to the owner in accordance with subsection (a) of this section; and the remainder, if any, shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

*Motor vehicles.*

“(c) All money, except money of insane persons, that shall remain in the custody of the property clerk for six months shall be so advertised, and if not claimed and repossessed within thirty days, it shall likewise be deposited in the Treasury to the credit of the District of Columbia.”

SEC. 5. Neither the government of the District of Columbia nor any officer or employee thereof shall be liable for damage to any property

*Liability for damage.*

resulting from the removal of such property from public space, or the transportation of such property into the custody of the property clerk, Metropolitan Police Department, nor for damage to any such property while such property is in the custody of the property clerk, Metropolitan Police Department, when such custody is maintained pursuant to the requirements of law, except that the government of the District of Columbia or any such officer or employee may be liable for damage to such property as a result of gross negligence in the removal, transportation, or storage of such property: *Provided*, That should a judgment be entered for the District of Columbia against any commercial warehouseman or garagekeeper for damage to such property in his care, recovery on such judgment, less all administrative expenses and court costs to the District of Columbia involved in such litigation, shall be paid by the District of Columbia to the owner of the damaged property as determined by the property clerk. For the purpose of this section the term "gross negligence" means a willful intent to injure property, or a reckless or wanton disregard of the rights of another in his property.

"Gross negligence."

D. C. Code  
title 1 app.

SEC. 6. Nothing in this Act shall be construed so as to affect the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners may be delegated by said Board of Commissioners in accordance with section 3 of such plan.

Approved September 25, 1962.

## Public Law 87-692

### AN ACT

September 25, 1962  
[S. 1130]

To amend title III of the Public Health Service Act to authorize grants for family clinics for domestic agricultural migratory workers, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That title III of the Public Health Service Act (42 U.S.C., ch. 6A, subch. II) is amended by inserting at the end of part A thereof the following new section :

Public health.  
Migratory workers.  
58 Stat. 691.  
42 USC 241-  
242g.

#### "GRANTS FOR FAMILY HEALTH SERVICE CLINICS FOR DOMESTIC AGRICULTURAL MIGRATORY WORKERS"

"SEC. 310. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1963, the fiscal year ending June 30, 1964, and the fiscal year ending June 30, 1965, such sums, not to exceed \$3,000,000 for any year, as may be necessary to enable the Surgeon General (1) to make grants to public and other nonprofit agencies, institutions, and organizations for paying part of the cost of (i) establishing and operating family health service clinics for domestic agricultural migratory workers and their families, including training persons to provide services in the establishing and operating of such clinics, and (ii) special projects to improve health services for and the health conditions of domestic agricultural migratory workers and their families, including training persons to provide health services for or otherwise improve the health conditions of such migratory workers and their families, and (2) to encourage and cooperate in programs for the purpose of improving health services for or otherwise improving the health conditions of domestic agricultural migratory workers and their families."

Approved September 25, 1962.

## Public Law 87-693

## AN ACT

September 25, 1962  
[H. R. 298]

To provide for the recovery from tortiously liable third persons of the cost of hospital and medical care and treatment furnished by the United States.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) in any case in which the United States is authorized or required by law to furnish hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) to a person who is injured or suffers a disease, after the effective date of this Act, under circumstances creating a tort liability upon some third person (other than or in addition to the United States and except employers of seamen treated under the provisions of section 322 of the Act of July 1, 1944 (58 Stat. 696), as amended (42 U.S.C. 249)) to pay damages therefor, the United States shall have a right to recover from said third person the reasonable value of the care and treatment so furnished or to be furnished and shall, as to this right be subrogated to any right or claim that the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors has against such third person to the extent of the reasonable value of the care and treatment so furnished or to be furnished. The head of the department or agency of the United States furnishing such care or treatment may also require the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors, as appropriate, to assign his claim or cause of action against the third person to the extent of that right or claim.

Hospital and medical care, third party liability.

(b) The United States may, to enforce such right, (1) intervene or join in any action or proceeding brought by the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors, against the third person who is liable for the injury or disease; or (2) if such action or proceeding is not commenced within six months after the first day in which care and treatment is furnished by the United States in connection with the injury or disease involved, institute and prosecute legal proceedings against the third person who is liable for the injury or disease, in a State or Federal court, either alone (in its own name or in the name of the injured person, his guardian, personal representative, estate, dependents, or survivors) or in conjunction with the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors.

Legal proceedings.

(c) The provisions of this section shall not apply with respect to hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) furnished by the Veterans' Administration to an eligible veteran for a service-connected disability under the provisions of chapter 17 of title 38, United States Code.

Veterans' treatment, exception.

SEC. 2. (a) The President may prescribe regulations to carry out this Act, including regulations with respect to the determination and establishment of the reasonable value of the hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) furnished or to be furnished.

72 Stat. 1140;  
Ante, p. 381.  
38 USC 601-643.  
Regulations.

(b) To the extent prescribed by regulations under subsection (a), the head of the department or agency of the United States concerned may (1) compromise, or settle and execute a release of, any claim which the United States has by virtue of the right established by section 1; or (2) waive any such claim, in whole or in part, for the convenience of the Government, or if he determines that collection would result in undue hardship upon the person who suffered the injury or disease resulting in care or treatment described in section 1.

Settlement provisions.

(c) No action taken by the United States in connection with the rights afforded under this legislation shall operate to deny to the injured person the recovery for that portion of his damage not covered hereunder.

SEC. 3. This Act does not limit or repeal any other provision of law providing for recovery by the United States of the cost of care and treatment described in section 1.

Effective date.

SEC. 4. This Act becomes effective on the first day of the fourth month following the month in which enacted.

Approved September 25, 1962.

## Public Law 87-694

September 25, 1962

[H. R. 12689]

### AN ACT

To repeal section 557 and to amend section 559 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901.

D. C.  
Commissioners  
of deeds, ap-  
pointment provi-  
sions, deletion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 557 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189, 1279; D.C. Code, sec. 1-401) is repealed.

SEC. 2. Section 559 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189, 1279; D.C. Code, sec. 1-402, 1-502), is amended by striking out "commissioners of deeds and".

Approved September 25, 1962.

## Public Law 87-695

September 25, 1962

[S. 1161]

### AN ACT

To provide for the use of lands in the Garrison Dam project by the Three Affiliated Tribes of the Fort Berthold Reservation.

Indians.  
Grazing privi-  
leges, Garrison  
Dam project,  
N. Dak.

58 Stat. 887.  
33 USC 701-1  
et seq.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* Subject to the right of the United States to occupy, use, and control the lands acquired by the United States within the Fort Berthold Reservation for the construction, operation, and maintenance of the Garrison Dam and Reservoir project pursuant to the Flood Control Act of 1944, approved December 22, 1944, and amendatory laws, as determined necessary by the Secretary of the Army adequately to serve said purposes, the Three Affiliated Tribes of the Fort Berthold Reservation shall be permitted to graze stock without charge on such former Indian land as the Secretary of the Army determines is not devoted to other beneficial uses, and to lease such land for grazing purposes to members or non-members of the tribes on such terms and conditions as the Secretary of the Interior may prescribe. The foregoing grant of grazing privileges shall be subject to rights under existing grazing leases and permits.

Approved September 25, 1962.

## Public Law 87-696

## AN ACT

September 25, 1962  
[S. 2971]

To declare that certain lands of the United States are held by the United States in trust for the Jicarilla Apache Tribe of the Jicarilla Reservation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all right, title, and interest of the United States in and to the following described lands, containing 7.00 acres, more or less, situated within the Jicarilla Apache Indian Reservation in the State of New Mexico, are hereby declared to be held by the United States in trust for the Jicarilla Apache Tribe of the Jicarilla Reservation, New Mexico, subject to a reservation of the right of the United States to use so much of such lands, together with all facilities now thereon or hereafter installed by the United States, as shall in the opinion of the Secretary of the Interior be needed for the administration of the affairs of the tribe, and subject to a reservation in the United States of a right-of-way across any part of such lands which the Secretary of the Interior deems desirable in connection with the administration of the affairs of the tribe:

Indians.  
Jicarilla  
Apache Tribe,  
N. Mex.  
Trust lands.

Township 30 north, range 1 west, New Mexico principal meridian (surveyed): Beginning at corner numbered 1 from which the southwest corner of section 15, township 30 north, range 1 west, New Mexico principal meridian, Rio Arriba County (surveyed), bears due south a distance of 11.142 chains and due west a distance of 15.651 chains; thence from corner numbered 1 due north a distance of 7.071 chains to corner numbered 2; thence due east a distance of 7.071 chains to corner numbered 3; thence due south a distance of 7.071 chains to corner numbered 4; thence due west a distance of 7.071 chains to the point of beginning, containing 5 acres, more or less.

Township 31 north, range 2 west, New Mexico principal meridian (surveyed): Beginning at corner numbered 1 from which the southwest corner of section 29, township 31 north, range 2 west, New Mexico principal meridian, Rio Arriba County (surveyed), bears due south a distance of 21.471 chains and due west a distance of 23.138 chains; thence from corner numbered 1 due west a distance of 3.162 chains to corner numbered 2; thence due north a distance of 3.162 chains to corner numbered 3; thence due east a distance of 3.162 chains to corner numbered 4; thence due south a distance of 3.162 chains to the point of beginning, containing 1 acre, more or less.

Also beginning at corner numbered 1 from which the southwest corner of section 29, township 31 north, range 2 west, New Mexico principal meridian, Rio Arriba County (surveyed), bears due south a distance of 26.043 chains and due west a distance of 23.138 chains; thence from corner numbered 1 due north a distance of 3.162 chains to corner numbered 2; thence due east a distance of 3.162 chains to corner numbered 3; thence due south a distance of 3.162 chains to corner numbered 4; thence due west a distance of 3.162 chains to the point of beginning, containing 1 acre, more or less.

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

25 USC 70a.

Approved September 25, 1962.



## Public Law 87-697

September 25, 1962  
[S. 3086]

## AN ACT

To provide for a reduction in the workweek of the Fire Department of the District of Columbia, and for other purposes.

D. C. Fire Dept.  
Reduction in  
workweek.

34 Stat. 314.

75 Stat. 830.  
Workweek.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (a) of subsection (a) of section 2 of the Act entitled "An Act to amend the Act entitled 'An Act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes', approved June 20, 1906, and for other purposes", approved June 19, 1948 (62 Stat. 498), as amended (sec. 4-404a(a), D.C. Code, 1961 edition), is amended to read as follows:

"(a) (1) Beginning with the first day of the first pay period which begins not less than one hundred and twenty days after enactment of this amendatory subsection or which begins on or after July 1, 1962, whichever is later, the Commissioners of the District of Columbia are authorized and directed to establish a workweek for officers and members of the Firefighting Division of the Fire Department of the District of Columbia which will result in an average workweek of not to exceed forty-eight hours during an administratively established workweek cycle which the Commissioners are hereby authorized to establish from time to time."

SEC. 2. (a) Paragraphs (b), (c), (d), (e), and (f) of subsection (a) of section 2 of such Act approved June 19, 1948 (62 Stat. 498), as amended (sec. 4-404a(a), D.C. Code, 1961 edition), are hereby redesignated as paragraphs (2), (3), (4), (5), and (6), respectively.

Temporary serv-  
ices.

(b) Paragraph (c) of subsection (a) of section 2 of such Act approved June 19, 1948, as amended, and redesignated as paragraph (3) by this section, is amended by striking therefrom the period and inserting in lieu thereof a colon and the following: "*Provided*, That notwithstanding the provisions of this subsection, the Commissioners of the District of Columbia or their designated agent or agents may, whenever the exigencies of the Fire Department require temporary or short-term services of one or more officers or members, order such officer, officers, member, or members to perform such services."

Computation of  
pay.  
75 Stat. 832.

SEC. 3. Clause (E) of subsection (b) of section 405 of the District of Columbia Police and Firemen's Salary Act of 1953 (67 Stat. 76), as amended (sec. 4-821, D.C. Code, 1961 edition), is amended to read as follows:

"(E) In the case of the Firefighting Division of the Fire Department of the District of Columbia—

"(i) a biweekly rate shall be divided by two to derive a weekly rate;

"(ii) the weekly rate shall be divided by the number of workdays in the average established workweek to arrive at a daily rate;

"(iii) a daily rate shall be divided by two to derive a one-half daily rate; and

"(iv) an hourly rate shall be determined by dividing the daily rate of pay by twelve, except for the purpose of computation of holiday pay."

Annual leave.  
Accrual.

5 USC 2062.

SEC. 4. (a) In lieu of the annual leave to which officers and members of the Firefighting Division of the Fire Department of the District of Columbia are entitled under the provisions of section 203(a) of the Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended, such

officers and members shall be entitled to annual leave which shall accrue as follows:

(1) Four and eight-tenths hours for each full biweekly pay period in the case of officers and members with less than three years' service;

(2) Seven and five-tenths hours for each full biweekly pay period in the case of officers and members with three but less than fifteen years' service;

(3) Nine and six-tenths hours for each biweekly pay period in the case of officers and members with fifteen years' or more service.

(b) Accumulated annual leave to the credit of each officer and member of such Firefighting Division shall be adjusted by applying a four-fifths factor so that each officer and member of such Firefighting Division shall be given credit for four-fifths of a day of leave for each day of such accumulated annual leave, and thereafter accumulated annual leave credited to him pursuant to the Annual and Sick Leave Act of 1951, as amended, shall be similarly adjusted when an officer or member is transferred to the Firefighting Division from another agency or from another division of the Fire Department.

5 USC 2061  
note.

(c) When an officer or member of such Firefighting Division is transferred to another agency or to another division of the Fire Department, whose employees are entitled to annual leave with pay pursuant to the Annual and Sick Leave Act of 1951, as amended, the reverse of the formula in subsection (b) shall be applied for the purpose of adjusting accumulated annual leave.

(d) For computation on an hourly basis, all adjusted days of annual leave or fractions thereof, as provided in subsections (b) and (c) of this section, and days of sick leave shall be multiplied by twelve to determine the number of hours of annual or sick leave to which each such officer or member of such Firefighting Division shall be entitled, and the number of hours of annual or sick leave shall be divided by twelve to determine the number of days, or fraction thereof, of annual or sick leave to which such officer or member of such Firefighting Division shall be entitled.

Computation on  
hourly basis.

(e) Notwithstanding any provision in any other law, the amount of annual leave accumulated on the effective date of this Act, if thirty days or more, shall, upon conversion to the new total in accordance with this section, be the maximum accumulation authorized: *Provided*, That if the amount of annual leave accumulated before the conversion is less than thirty days on the effective date of this Act, then, after conversion to the new total, leave which is not used shall accumulate for use in succeeding years until it totals no more than twenty-four days at the beginning of the first complete biweekly pay period.

Effective date.

SEC. 5. This Act shall take effect on the first day of the first pay period which begins not less than one hundred and twenty days after its enactment, or on or after the first day of the first pay period which begins on or after July 1, 1962, whichever is later.

Approved September 25, 1962.

Public Law 87-698

#### AN ACT

To amend the Act of August 27, 1954 (68 Stat. 868) with respect to the Uintah and Ouray Reservation in Utah.

September 25, 1962  
[S. 1924]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 10 of the Act of August 27, 1954 (68 Stat. 868) is amended by adding at the end thereof the following:

Indians.  
Uintah and  
Ouray Reserva-  
tion, Utah.  
Stock.  
25 USC 677i.

"The stock of any corporation organized by the mixed-blood group for the purpose of empowering the officers of such corporation to act as the authorized representatives of said mixed-blood group in the joint management with the tribe and in the distribution and adjudicated or unliquidated claims against the United States, all gas, oil, and mineral rights of every kind, and all other assets not susceptible to equitable and practicable distribution shall not be subject to mortgage, pledge, hypothecation, levy, execution, attachment or other similar process, while such stock remains in the ownership of the original stockholder or his heirs or legatees, but the interest of stockholders in any distribution by such corporation shall be subject to the usual processes of the law."

Approved September 25, 1962.

## Public Law 87-699

September 25, 1962  
[S. 1307]

### AN ACT

To amend section 128 of title 28, United States Code, to constitute Richland, Washington, a place of holding court for the eastern district of Washington, southern division, and to waive section 142 of title 28, United States Code, with respect to the United States District Court for the Eastern District of Washington, southern division, holding court at Richland, Washington.

District court.  
Richland, Wash.  
62 Stat. 894.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second section of section 128(a)(2) of title 28, United States Code, is hereby amended to read as follows:

"Court for the southern division shall be held at Yakima, Walla Walla, and Richland";

That the limitations and restrictions contained in section 142, title 28, United States Code, shall be waived insofar as pertains to holding court by the United States District Court for the Eastern District of Washington, southern division, at Richland, Washington.

Approved September 25, 1962.

## Public Law 87-700

September 25, 1962  
[S. 3315]

### AN ACT

To relieve owners of abutting property from certain assessments in connection with the repair of alleys and sidewalks in the District of Columbia.

D. C.  
Assessment of  
property, re-  
lief in certain  
cases.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence in the second paragraph under the caption "ASSESSMENT AND PERMIT WORK" in the first section of the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, eighteen hundred and ninety-five, and for other purposes", approved August 7, 1894 (28 Stat. 247), as amended (sec. 7-608, D.C. Code, 1961 edition), is amended by striking "said property" and inserting in lieu thereof "said property: *Provided*, That no such assessment shall be levied against abutting property for the cost of repairing alleys or sidewalks when the damage requiring such repair is caused by the growth of roots of trees on public space or the cause of such damage is otherwise beyond the control of the owner of such property".

SEC. 2. The amendment made by the first section of this Act shall apply to repairs to alleys or to sidewalks the completion of which repairs shall occur on or after the effective date of this Act.

Effective date.

SEC. 3. This Act shall take effect ten days after its approval.

Approved September 25, 1962.

## Public Law 87-701

## AN ACT

To authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

September 26, 1962  
[H. R. 11974]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SEC. 101. PLANT OR FACILITY ACQUISITION OR CONSTRUCTION.—There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261a(1) of the Atomic Energy Act of 1954, as amended, the sum of \$159,415,000 for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, as follows:

Atomic Energy  
Commission, ap-  
propriation.  
Acquisition,  
etc., of property.  
71 Stat. 274.  
42 USC 2017.

(a) SPECIAL NUCLEAR MATERIALS.—

Project 63-a-1, modifications to production and supporting installations, \$5,000,000.

Project 63-a-2, modifications to facilities for conversion of UNH to UF<sub>4</sub>, \$1,450,000.

Project 63-a-3, radioactive waste disposal facilities, Hanford, Washington, \$3,700,000.

(b) SPECIAL NUCLEAR MATERIALS.—

Project 63-b-1, consolidated service facility, Hanford, Washington, \$955,000.

Project 63-b-2, additional high level waste storage tanks, Savannah River, South Carolina, \$6,000,000.

Project 63-b-3, health physics headquarters addition, Savannah River, South Carolina, \$1,000,000.

Project 63-b-4, emergency duty personnel shelters, various sites, \$4,000,000.

(c) ATOMIC WEAPONS.—

Project 63-c-1, weapons production, development, and test installations, \$10,000,000.

Project 63-c-2, addition to special metallurgical facility, Mound Laboratory, Miamisburg, Ohio, \$540,000.

Project 63-c-3, production plant addition, Mound Laboratory, Miamisburg, Ohio, \$300,000.

Project 63-c-4, hydraulic centrifuge installation, Sandia Base, New Mexico, \$700,000.

Project 63-c-5, specialized plant additions and modifications, phase II, Oak Ridge, Tennessee, \$2,200,000.

Project 63-c-6, pulsed power research facility, Lawrence Radiation Laboratory, California, \$1,950,000.

Project 63-c-7, gamma irradiation facility, Sandia Base, New Mexico, \$650,000.

Project 63-c-8, dynamic test complex, Lawrence Radiation Laboratory, California, \$265,000.

Project 63-c-9, nondestructive test facility, Oak Ridge, Tennessee, \$510,000.

Project 63-c-10, processing facilities, Rocky Flats, Colorado, \$3,000,000.

(d) ATOMIC WEAPONS.—

Project 63-d-1, terminal facilities—115 kilovolt power line, Los Alamos Scientific Laboratory, New Mexico, \$1,950,000.

Project 63-d-2, environmental control facilities, phase III, Kansas City, Missouri, \$1,200,000.

Project 63-d-3, engineering building addition, Lawrence Radiation Laboratory, California, \$4,000,000.

Project 63-d-4, model shop addition (Sandia), Livermore, California, \$820,000.

Project 63-d-5, engineering model shop, Kansas City, Missouri, \$1,000,000.

Project 63-d-6, improvement of United States Highway 95—Las Vegas, Nevada, to the Nevada test site, \$9,000,000.

(e) REACTOR DEVELOPMENT.—

Project 63-e-1, housing for lithium cooled reactor experiment, \$5,000,000.

Project 63-e-2, modifications to reactors, \$5,000,000.

Project 63-e-3, organic reactor project, \$20,000,000.

Project 63-e-4, research and development test plants for Project Rover, \$10,000,000.

Project 63-e-5, modifications and additions, CANEL, Middletown, Connecticut, \$1,400,000.

(f) REACTOR DEVELOPMENT.—

Project 63-f-1, cafeteria, Argonne National Laboratory, Illinois, \$1,500,000.

(g) PHYSICAL RESEARCH.—

Project 63-g-1, accelerator improvements, Lawrence Radiation Laboratory, California, \$750,000.

Project 63-g-2, accelerator improvements, Cambridge and Princeton accelerators, \$800,000.

Project 63-g-3, accelerator improvements, Argonne National Laboratory, Illinois, \$500,000.

Project 63-g-4, accelerator and reactor additions and modifications, Brookhaven National Laboratory, New York, \$2,250,000.

(h) PHYSICAL RESEARCH.—

Project 63-h-1, low level radiochemistry laboratory, Hanford, Washington, \$1,200,000.

Project 63-h-2, inorganic materials laboratory, Lawrence Radiation Laboratory, California, \$2,500,000.

Project 63-h-3, corporation yard, Lawrence Radiation Laboratory, California, \$1,500,000.

Project 63-h-4, mathematics and computer building, Argonne National Laboratory, Illinois, \$2,300,000.

Project 63-h-5, building addition for physics and mathematics, Brookhaven National Laboratory, New York, \$5,000,000.

Project 63-h-6, water treatment plant, Brookhaven National Laboratory, New York, \$1,000,000.

(i) BIOLOGY AND MEDICINE.—

Project 63-i-1, biological research laboratory additions, Oak Ridge National Laboratory, Tennessee, \$930,000.

(j) ISOTOPES DEVELOPMENT.—

Project 63-j-1, isotopes technology laboratory, Oak Ridge National Laboratory, Tennessee, \$390,000.

Project 63-j-2, marine products development irradiator, \$600,000.

Project 63-j-3, two mobile irradiators, \$700,000.

(k) COMMUNITY.—

Project 63-k-1, White Rock Elementary School, Los Alamos, New Mexico, \$600,000.

Project 63-k-2, real estate development, Los Alamos, New Mexico, \$600,000.

Project 63-k-3, additional water well, Los Alamos, New Mexico, \$165,000.

(l) GENERAL PLANT PROJECTS.—\$34,540,000.

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsections 101 (a), (c), (e), and (g), only

if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsections 101 (b), (d), (f), (h), (i), (j), and (k), only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start a project under subsection 101(1) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be \$100,000 and the maximum currently estimated cost of any building included in such project shall be \$10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be \$500,000 and the maximum currently estimated cost of any building included in such a project shall be \$100,000.

3. The total cost of all projects undertaken under subsection 101(1) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 103. ADVANCED PLANNING AND DESIGN.—There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. RESTORATION OR REPLACEMENT.—There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. CURRENTLY AVAILABLE FUNDS.—In addition to the sums authorized to be appropriated to the Atomic Energy Commission by section 101 of this Act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this Act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. SUBSTITUTION.—Funds authorized to be appropriated or otherwise made available by this Act may be used to start any other new project for which an estimate was not included in this Act if it be a substitute for a project or portion of a project authorized in subsections 101 (a), (b), (c), and (d) and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

- (a) the project is essential to the common defense and security;
- (b) the new project is required by changes in weapon characteristics or weapon logistic operations; and
- (c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

SEC. 107. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 86-50 is amended by striking therefrom the figure “\$165,400,000” and substituting therefor the figure “\$172,900,000”.

73 Stat. 81.

(b) Section 101(g) of Public Law 86-50 is amended by striking therefrom “Project 60-g-3, transuranium laboratory, Oak Ridge National Laboratory, Tennessee, \$1,200,000” and substituting therefor “Project 60-g-3, transuranium processing plant, Oak Ridge National Laboratory, Tennessee, \$8,700,000”.

73 Stat. 82.

75 Stat. 676.

(c) Section 101 of Public Law 87-315 is amended as follows: (1) by striking therefrom the figure "\$3,000,000" for project 62-a-5, additional reactor confinement, Savannah River, South Carolina, and substituting therefor the figure "\$12,000,000"; (2) by striking therefrom the figure "\$7,500,000" for project 62-c-1, weapons production, development, and test installations, and substituting therefor the figure "\$15,000,000"; (3) by striking therefrom the figure "\$1,000,000" for project 62-i-3, controlled environment laboratory, Brookhaven National Laboratory, New York, and substituting therefor the figure "\$1,800,000"; and (4) by striking therefrom the figure "\$700,000" for project 62-i-4, animal bioradiological laboratory, Lawrence Radiation Laboratory, California, and substituting therefor the figure "\$980,000".

75 Stat. 677.

72 Stat. 490.

(d) Section 101 of Public Law 85-590 is amended by striking therefrom the figure "\$386,679,000" and substituting therefor the figure "\$436,879,000".

73 Stat. 82.

SEC. 108. RESCISSIONS.—(a) Public Law 86-50, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 60-e-14, experimental low-temperature process heat reactor, \$4,000,000.

73 Stat. 85.

(b) Section 111 of Public Law 86-50 is rescinded.

71 Stat. 274.  
42 USC 2017.

SEC. 109. COOPERATION WITH EUROPEAN ATOMIC ENERGY COMMUNITY.—There is hereby authorized to be appropriated to the Atomic Energy Commission, in accordance with the provisions of section 261a(2) of the Atomic Energy Act of 1954, as amended, the sum of \$5,000,000, in addition to the sum of \$10,000,000 previously authorized, which shall be available for carrying out the purposes of section 3 of Public Law 85-846, providing for cooperation with the European Atomic Energy Community.

72 Stat. 1084.  
42 USC 2292.

SEC. 110. COOPERATIVE POWER REACTOR DEMONSTRATION PROGRAM.—

71 Stat. 409;  
75 Stat. 679.

(a) Section 111 of Public Law 85-162, as amended, is further amended by striking out the date "June 30, 1962" in clause (3) of subsection (a) and inserting in lieu thereof the date "June 30, 1963".

73 Stat. 84, 86.

(b) There is hereby authorized to be appropriated to the Atomic Energy Commission the sum of \$3,000,000 to be available, in addition to the funds heretofore authorized, for carrying out the Commission's power reactor demonstration program in accordance with the terms and conditions provided in sections 110 and 112 of Public Law 86-50.

(c) Funds authorized and appropriated to the Commission and authorized waivers of the Commission's use charges, available for the third round of the Commission's power reactor demonstration program, shall also be available to the Commission for use in a supplemental program of third round cooperative arrangements in accordance with the criteria heretofore submitted to the Joint Committee on Atomic Energy and in accordance with the provisions of subsections 111 (b) and (f) of Public Law 85-162. Under any such arrangements the Commission may furnish funds for design assistance without regard to the provisions of section 169 of the Atomic Energy Act of 1954. No funds or waiver of use charges made available by this section shall be available for projects heretofore approved under the power reactor demonstration program or for other nuclear power projects already under construction.

71 Stat. 409;  
72 Stat. 493.68 Stat. 952.  
42 USC 2209.

(d) Funds authorized and appropriated to the Commission and authorized waivers of the Commission's use charges, available in support of unsolicited proposals from the utility industry to construct nuclear powerplants, shall also be available to the Commission for use in a cooperative arrangement with any person or persons for participation in a nuclear reactor project to generate electricity, process

heat, or both. Any such arrangement shall be entered into in accordance with the criteria for the third round of the Commission's power reactor demonstration program, including the provisions of section 111(b) of Public Law 85-162: *Provided, however*, That under any such arrangement the Commission may furnish funds for design assistance without regard to the provisions of section 169 of the Atomic Energy Act of 1954.

71 Stat. 409.

68 Stat. 952.  
42 USC 2209.

SEC. 111. ORGANIC REACTOR PROJECT.—(a) The Commission is authorized to enter into cooperative arrangements with any person or persons for participation in the development, design, construction, and operation of an organic reactor authorized under project 63-e-3 of section 101(e) of this Act, and the utilization of the steam generated by the reactor plant. Under such arrangements—

Ante, p. 600.

(1) the Commission is authorized to obtain the participation of such person or persons to the fullest extent consistent with the Commission's direction of the project and ownership of the reactor;

(2) the reactor plant may be constructed upon a site provided by a participating party with or without compensation;

(3) the reactor plant shall be operated by, or under contract with, the Commission, for such period of time as the Commission determines to be advisable for research and development purposes and for such additional period as the Commission may determine to be necessary in the best interest of the Government. Upon the expiration of such period, the Commission may offer the reactor plant and its appurtenances for sale to a participating party or parties at a price to reflect appropriate depreciation, but not to include construction costs assignable to research and development, or the Commission may dismantle the reactor plant and its appurtenances;

(4) the Commission may sell steam to a participating party at rates based upon the present cost of, or the projected cost of, comparable steam from a plant using conventional fuels at the reactor location; and

(5) any steam sold shall be used for industrial, manufacturing, or other commercial purposes, including the generation of electric power for use by a participating party, or for research and development related thereto, but shall not be used for the generation of electric power for sale by a participating party. The participating party or parties shall provide facilities required for such utilization of the steam generated by the nuclear plant.

(b) Before the Commission enters into any arrangement or amendment thereto under the authority of subsection (a) of this section, the basis for the arrangement or amendment thereto which the Commission proposes to execute (including the name of the proposed participating party or parties with whom the arrangement is to be made, a general description of the proposed powerplant, the estimated amount of cost to be incurred by the Commission and by the participating parties, and the general features of the proposed arrangement or amendment) shall be submitted to the Joint Committee, and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days, there shall be excluded the days on which either House is not in session because of adjournment for more than three days): *Provided, however*, That the Joint Committee, after having received the basis for a proposed arrangement or amendment thereto, may by resolution in writing waive the conditions of, or all or any portion of, such forty-five day period: *Provided further*, That such arrangement or amendment shall be entered into in accordance with the basis for the arrangement or amendment submitted as

Review by Joint  
Committee.



provided herein: *And provided further*, That no basis for arrangement need be resubmitted to the Joint Committee for the sole reason that the estimated amount of the cost to be incurred by the Commission exceeds the estimated cost previously submitted to the Joint Committee by not more than fifteen per centum.

(c) In the event no satisfactory proposal for a cooperative arrangement is received, the Commission may, if the project is still deemed desirable, proceed with design, construction, and operation of such a reactor plant at a Commission installation. The electric energy generated shall be used by the Commission in connection with the operation of such installation and the provisions of section 112 of Public Law 86-50 shall be applicable to this project.

73 Stat. 86.  
Conditions.

SEC. 112. (a) The Commission is not authorized—

(1) to enter into any arrangements for the construction or operation of electric generating and transmission facilities at the Hanford New Production Reactor, or

(2) to sell any byproduct energy produced incident to the operation of the reactor and is directed to withhold from beneficial use and dissipate such byproduct energy, or

(3) to enter into agreements, as part of such arrangements, to lease or contract for the operation of the reactor during periods when the reactor is not being operated or maintained for production or other Commission purposes,

unless and until the Commission shall make the determinations required by subsection (b).

Determinations.

(b) Before entering into any arrangement or sale of the type described in subsection (a), the Commission shall make the following determinations:

(1) Useable byproduct energy will be produced incident to the production of special nuclear material in the reactor in accordance with the design of the reactor as originally authorized by Congress;

(2) The sale of byproduct energy could provide a substantial financial return to the United States Treasury for the benefit of the taxpayers;

(3) The national defense posture would be improved by the enhanced capability for resumption of special nuclear material production through non-Federal operation and maintenance of the reactor during periods when it is not being operated for special nuclear material production.

(c) All expenses of modifications of the Hanford New Production Reactor made at the request of a non-Federal entity, and all expenses of constructing and operating the electric energy generating and transmission facilities at the New Production Reactor, shall be borne by such non-Federal entity.

(d) Any losses to the Bonneville Power Administration, in connection with the arrangements or sales authorized herein, shall be borne by its system customers through rate adjustments.

(e) The Commission shall not enter into any arrangements for the sale of byproduct energy from the Hanford New Production Reactor unless it determines that the purchaser has offered fifty per cent participation to private organizations and fifty per cent participation to public organizations on a non-discriminatory basis in the sale of electric energy generated therewith.

Congressional  
authorization.

(f) No Federal agency may acquire the generating facilities without prior Congressional authorization and in the event of such authorization the generating facilities shall be acquired subject to contracts then in existence for disposition of the electric energy produced by the facilities.

(g) Before the Commission enters into any arrangements pursuant to this section, the basis for such arrangements and the determinations required by subsection (b), with supporting data, shall be submitted to the Joint Committee on Atomic Energy and a period of forty-five days shall elapse: *Provided, however*, That the Joint Committee, after having received such documents, may, by majority concurrence in writing, waive the conditions of or all or any portion of such forty-five day period.

Review by Joint  
Committee.

Approved September 26, 1962.

## Public Law 87-702

### JOINT RESOLUTION

September 26, 1962  
[S. J. Res. 133]

To provide for the coinage of a medal in recognition of the distinguished services of Sam Rayburn, Speaker of the House of Representatives.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That, in recognition of the distinguished public service and outstanding contribution to the general welfare of Sam Rayburn, Speaker of the House of Representatives, the Secretary of the Treasury is authorized and directed to cause to be struck and presented to the estate of the late Speaker Sam Rayburn a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary, but to include the phrase "For services rendered to the people of the United States". There is authorized to be appropriated the sum of \$2,500 to carry out the purposes of this section.

Sam Rayburn.  
Gold medal.

SEC. 2. The Secretary of the Treasury is authorized and directed to cause duplicates in bronze of such medal to be struck and sold, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof (including labor). The proceeds of the sale of such bronze medals shall be reimbursed to the appropriation then current for the expenditure of the Bureau of the Mint chargeable for the cost of the manufacture of medals.

Approved September 26, 1962.

## Public Law 87-703

### AN ACT

September 27, 1962  
[H. R. 12391]

To improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Food and Agriculture Act of 1962".

Food and Agri-  
culture Act of  
1962.

### TITLE I—LAND-USE ADJUSTMENT

SEC. 101. The Soil Conservation and Domestic Allotment Act (49 Stat. 163), as amended, is further amended as follows:

- (1) by repealing subsections (b), (c), (d), (e), (f), and (g) of section 7;
- (2) by repealing subsection (a) of section 8;

Soil Conserva-  
tion and Domestic  
Allotment Act,  
amendments.

49 Stat. 1148.  
16 USC 590g.  
16 USC 590h.

52 Stat. 31.

(3) by amending the first sentence of subsection (b) of section 8 of said Act, as amended, by striking out the language "Subject to the limitations provided in subsection (a) of this section, the" and inserting in lieu thereof the word "The"; and

49 Stat. 1151.  
16 USC 590p.

(4) by adding a new subsection at the end of section 16 of said Act to read as follows:

70 Stat. 191-  
195.  
7 USC 1831-  
1837.

"(e) (1) For the purpose of promoting the conservation and economic use of land, the Secretary, without regard to the foregoing provisions of this Act, except those relating to the use of the services of State and local committees, is authorized to enter into agreements, to be carried out during such period not to exceed ten years as he may determine, with farm and ranch owners and operators providing for changes in cropping systems and land uses and for practices or measures to be carried out primarily on any lands owned or operated by them and regularly used in the production of crops (including crops such as tame hay, alfalfa, and clovers, which do not require annual tillage, and including lands covered by conservation reserve contracts under subtitle B of the Soil Bank Act) for the purpose of conserving and developing soil, water, forest, wildlife, and recreation resources. Such agreements shall include such terms and conditions as the Secretary may deem desirable to effectuate the purposes of this subsection and may provide for payments, the furnishing of materials and services, and other assistance in amounts determined by the Secretary to be fair and reasonable, in consideration of the obligations undertaken by the farm and ranch owners and operators and the rights acquired by the Secretary: *Provided*, That agreements for the establishment of tree cover may not provide for annual payments with respect to such land for a period in excess of five years.

"(2) No agreement shall be entered into under this subsection covering land with respect to which the ownership has changed in the two year period preceding the first year of the contract period unless (a) the new ownership was acquired by will or succession as a result of the death of the previous owner, (b) the land becomes a part of an existing farm or ranch, or (c) the land is combined with other land as a farming or ranching enterprise which the Secretary determines will effectuate the purposes of the program: *Provided*, That this provision shall not prohibit the continuation of an agreement by a new owner after an agreement has once been entered into under this subsection.

"(3) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under this subsection.

"(4) The Secretary may agree to such modification of agreements previously entered into as he may determine to be desirable to carry out the purposes of this subsection or to facilitate the practical administration of the program carried out pursuant to this subsection.

"(5) The Secretary shall issue such regulations as he determines necessary to carry out the provisions of this subsection.

“(6) Notwithstanding any other provision of law, the Secretary, to the extent he deems it desirable to carry out the purposes of this subsection, may provide in any agreement hereunder for (A) preservation for a period not to exceed the period covered by the agreement and an equal period thereafter of the cropland, crop acreage, and allotment history applicable to land covered by the agreement for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation on the production of such crop; or (B) surrender of any such history and allotments.

“(7) There is hereby authorized to be appropriated such sums as may be necessary to carry out this subsection. The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this subsection including payment of costs of administration for the program authorized under this subsection: *Provided*, That after June 30, 1963, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this subsection unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this subsection. The Secretary shall not enter into agreements hereunder which would require payments, the furnishing of materials and services, and other assistance, in amounts in excess of \$10,000,000 for any calendar year, except that the Secretary may enter into agreements hereunder with respect to lands previously covered by conservation reserve contracts which would require payments, the furnishing of materials and services, and other assistance, in an additional amount for the calendar year 1963 not exceeding \$15,000,000.”

(5) by adding a new subsection at the end of section 16 of said Act to read as follows:

“(f) The Secretary is authorized to use the services, facilities, and authorities of Commodity Credit Corporation for the purpose of making disbursements to producers under programs formulated pursuant to sections 8 and 16(e) of this Act: *Provided*, That no such disbursements shall be made by Commodity Credit Corporation unless it has received funds to cover the amount thereof from appropriations available for the purpose of carrying out such programs.”

SEC. 102. (a) Section 31 of title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525), as amended, is amended by striking out “including the retirement of lands which are submarginal or not primarily suitable for cultivation,” and by inserting following “natural resources,” the phrase “protecting fish and wildlife,” and by striking out the period at the end thereof and inserting “, but not to build industrial parks or establish private industrial or commercial enterprises.”

(b) Subsection (a) of section 32 of title III of the Bankhead-Jones Farm Tenant Act, as amended, is repealed.

(c) Section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended, is amended to read as follows:

“(e) to cooperate with Federal, State, territorial, and other public agencies in developing plans for a program of land con-

16 USC 590p;  
Ante, p. 606.

16 USC 590h.

Bankhead-Jones  
Farm Tenant Act,  
amendments.  
7 USC 1010.

Repeal.

50 Stat. 526.  
7 USC 1011.

servation and land utilization, to assist in carrying out such plans by means of loans to State and local public agencies designated by the State legislature or the Governor, to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively the purposes of this title, and to disseminate information concerning these activities. Loans to State and local public agencies shall be made only if such plans have been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over such plans, or by the Governor if there is no such State agency. No appropriation shall be made for any single loan under this subsection in excess of \$250,000 unless such loan has been approved by resolutions adopted by the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives. Loans under this subsection shall be made under contracts which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than 30 years, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury on its marketable public obligations outstanding at the beginning of the fiscal year in which the loan is made, which are neither due nor callable for redemption for 15 years from date of issue. Repayment of principal and interest on such loans shall begin within 5 years."

Watershed Protection and Flood Prevention Act, amendments,  
74 Stat. 254.  
16 USC 1004.

SEC. 103. The Watershed Protection and Flood Prevention Act (68 Stat. 666), as amended, is amended as follows:

(1) Paragraph (1) of section 4 of said Act is amended by changing the semicolon at the end thereof to a colon and adding the following: "*Provided*, That when a local organization agrees to operate and maintain any reservoir or other area included in a plan for public fish and wildlife or recreational development, the Secretary shall be authorized to bear not to exceed one-half of the costs of (a) the land, easements, or rights-of-way acquired or to be acquired by the local organization for such reservoir or other area, and (b) minimum basic facilities needed for public health and safety, access to, and use of such reservoir or other area for such purposes: *Provided further*, That the Secretary shall be authorized to participate in recreational development in any watershed project only to the extent that the need therefor is demonstrated in accordance with standards established by him, taking into account the anticipated man-days of use of the projected recreational development and giving consideration to the availability within the region of existing water-based outdoor recreational developments: *Provided further*, That the Secretary shall be authorized to participate in not more than one recreational development in a watershed project containing less than seventy-five thousand acres, or two such developments in a project containing between seventy-five thousand and one hundred and fifty thousand acres, or three such developments in projects exceeding one hundred and fifty thousand acres: *Provided further*, That when the Secretary and a local organization have agreed that the immediate acquisition by the local organization of land, easements, or rights-of-way is advisable for the preservation of sites for works of improvement included in a plan from encroachment by residential, commercial, industrial, or other development, the Secretary shall be authorized to advance to the local organization from funds appropriated for construction of works of improvement the amounts required for the acquisition of such land, easements or rights-of-way; and, except where such

costs are to be borne by the Secretary, such advance shall be repaid by the local organization, with interest, prior to construction of the works of improvement, for credit to such construction funds."

(2) Clause (A) of paragraph 2 of section 4 of said Act is amended to read as follows: "(A) such proportionate share, as is determined by the Secretary to be equitable in consideration of national needs and assistance authorized for similar purposes under other Federal programs, of the costs of installing any works of improvement, involving Federal assistance (excluding engineering costs), which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water or for fish and wildlife or recreational development, and".

70 Stat. 1088.  
16 USC 1004.

SEC. 104. Clause (B) of paragraph 2 of section 4 of the Watershed Protection and Flood Prevention Act (68 Stat. 666), as amended, is amended to read as follows:

"(B) all of the cost of installing any portion of such works applicable to other purposes except that any part of the construction cost (including engineering costs) applicable to flood prevention and features relating thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of this Act: *Provided*, That, in addition to and without limitation on the authority of the Secretary to make loans or advancements under section 8, the Secretary may pay for any storage of water for anticipated future demands or needs for municipal or industrial water included in any reservoir structure constructed or modified under the provisions of this Act not to exceed 30 per centum of the total estimated cost of such reservoir structure where the local organization gives reasonable assurances, and there is evidence, that such demands for the use of such storage will be made within a period of time which will permit repayment of the cost of such water supply storage within the life of the reservoir structure: *Provided further*, That the local organization shall agree prior to initiation of construction or modification of any reservoir structure including such water supply storage to repay the cost of such water supply storage for anticipated future demands: *And provided further*, That the entire amount of the cost paid by the Secretary for such water supply storage for anticipated future demands shall be repaid within the life of the reservoir structure but in no event to exceed fifty years after the reservoir structure is first used for the storage of water for water supply purposes, except that (1) no repayment of the cost of such water supply storage for anticipated future demands need be made until such supply is first used, and (2) no interest shall be charged on the cost of such water supply storage for anticipated future demands until such supply is first used, but in no case shall the interest-free period exceed ten years. The interest rate used for purposes of computing the interest on the unpaid balance shall be determined in accordance with the provisions of section 8."

16 USC 1006a.

SEC. 105. Section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 666), as amended, is amended to read as follows:

"SEC. 5. (1) At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in carrying out the works of improvement as set forth in section 4, the local organization may secure engineering and other services, including the design, preparation of contracts and specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, by retaining or employing a professional engi-

70 Stat. 1089.  
16 USC 1005.

neer or engineers satisfactory to the Secretary or may request the Secretary to provide such services: *Provided*, That if the local organization elects to employ a professional engineer or engineers, the Secretary shall reimburse the local organization for the costs of such engineering and other services secured by the local organization as are properly chargeable to such works of improvement in an amount not to exceed the amount agreed upon in the plan for works of improvement or any modification thereof: *Provided further*, That the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated installation cost of such works.

"(2) Except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure.

"(3) Whenever the estimated Federal contribution to the construction cost of works of improvement in the plan for any watershed or subwatershed area shall exceed \$250,000 or the works of improvement include any structure having a total capacity in excess of twenty-five hundred acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President.

"(4) Any plan for works of improvement involving an estimated Federal contribution to construction costs in excess of \$250,000 or including any structure having a total capacity in excess of twenty-five hundred acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least thirty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary prior to the expiration of the above thirty-day period, shall accompany the plan transmitted by the Secretary to the Congress through the President.

"(5) Prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies, including the Department of the Interior and the Department of the Army."

SEC. 106. The last proviso of section 7 of the Watershed Protection and Flood Prevention Act, 68 Stat. 666, as amended, is amended to read as follows: "*Provided further*, That in connection with the eleven watershed improvement programs authorized by section 13 of the Act of December 22, 1944 (58 Stat. 887), as amended and supplemented, the Secretary of Agriculture is authorized to prosecute additional works of improvement for the conservation, development, utilization, and disposal of water in accordance with the provisions of section 4 of this Act or any amendments hereafter made thereto".

## TITLE II—AGRICULTURAL TRADE DEVELOPMENT

SEC. 201. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase the sale of surplus agricultural commodities for dollars through long-term supply agreements and through

74 Stat. 131.  
33 USC 701b  
and note.

68 Stat. 667;  
70 Stat. 1088.  
16 USC 1004.

73 Stat. 610.  
7 USC 1731-  
1736.  
7 USC 1731.

the extension of credit for the purchase of such commodities, by agreements either with friendly nations or with the private trade, thereby assisting the development of the economies of friendly nations and maximizing dollar trade.

(2) Section 402 is amended—

(a) by inserting “, including financial institutions acting in behalf of such nations,” after the words “friendly nations”; and

73 Stat. 610.  
7 USC 1732.

(b) by adding at the end thereof the following: “In furtherance of the purpose of maximizing dollar sales through the private trade, the Secretary of Agriculture is authorized to enter into sales agreements with foreign and United States private trade under which he shall undertake to provide for the delivery of surplus agricultural commodities over such periods of time and under the terms and conditions set forth in this title. Any agreement entered into hereunder with the private trade shall provide for the furnishing of such security as the Secretary determines necessary to provide reasonable and adequate assurance of payment of the amount due for agricultural commodities sold pursuant to such agreement.”

(3) Section 403 is amended—

(a) by deleting the words “approximately equal” from the last sentence thereof and substituting therefor the word “reasonable”; and

7 USC 1733.

(b) by inserting after the word “agreement” in the last sentence thereof the following: “, except that the date for beginning such annual payment may be deferred for a period not later than two years after such date of last delivery.”

(4) Section 405 is amended to read as follows:

7 USC 1735.

“SEC. 405. In the case of such agreements, the Secretary may enter into agreements with other friendly and historic supplying nations of such commodities for their participation in the supply and assistance program herein authorized on a proportionate and equitable basis.

(5) Section 406 is amended by inserting after the word “sections” the following: “101 (b) and (c),”.

7 USC 1736.

SEC. 202. Section 416 of the Agricultural Act of 1949, as amended, is further amended by inserting in clause (4) after the words “needy persons” the words “and in nonprofit school lunch programs”.

68 Stat. 458.  
7 USC 1431.

SEC. 203. Section 308 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended by inserting after the words “needy persons” the words “and in nonprofit school lunch programs”.

73 Stat. 609.  
7 USC 1697.

SEC. 204. Section 9 of the Act of September 6, 1958 (Public Law 85-931), is amended by inserting after the words “needy persons” the words “and in nonprofit school lunch programs”.

72 Stat. 1792.  
7 USC 1431b.

SEC. 205. In any school feeding programs undertaken hereafter outside the United States pursuant to section 416 of the Agricultural Act of 1949, as amended, section 308 of Public Law 480 (83d Congress), as amended, and section 9 of the Act of September 6, 1958, as amended, the Secretary shall receive assurances satisfactory to him that, insofar as practicable, there will be student participation in the financing of such programs on the basis of ability to pay, and such programs shall be undertaken with the understanding that commodities will be available for those programs only in accordance with the provisions of such statutes and that commodities made available under section 416 of the Agricultural Act of 1949, as amended, will be available only in accordance with the priorities established in such section.



## TITLE III—COMMODITY PROGRAMS

## SUBTITLE A—FEED GRAINS

SEC. 301. Section 105(c) of the Agricultural Act of 1949, as amended, is amended by adding the following new paragraphs (5) and (6):

“(5) The level of price support for the 1963 crop of corn shall be established by the Secretary at such level not less than 65 per centum of the parity price therefor as the Secretary may determine. Eighteen cents per bushel of the support price for corn, and a comparable portion of the support price for grain sorghums and barley shall be made available to producers through payments in kind. Such payments in kind shall be made on the number of bushels of such feed grain determined by multiplying the actual acreage of such feed grain planted on the farm for harvest in 1963 by the adjusted average yield per acre for the 1959 and 1960 crop acreage of such feed grain. Such payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for corn, grain sorghums, and barley (such feed grains to be valued by the Secretary at not less than the support price minus that part of the support price made available through payments in kind) and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates. In the case of any certificate not presented for redemption within 30 days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning 30 days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate. The Secretary shall provide for the sharing of such certificates among the producers on the farm on the basis of their respective shares in the crop produced on the farm with respect to which such certificates are issued, or the proceeds therefrom. If the operator of the farm elects to participate in the special agricultural conservation program for 1963 for corn, grain sorghums, and barley, price support shall be made available to the producers on such farm only if such producers divert from the production of such feed grains in accordance with the provisions of such program an acreage on the farm equal to the number of acres which such operator agrees to divert, and the agreement shall so provide.

“(6) The Secretary shall require as a condition of eligibility for price support on the 1963 crop of corn, grain sorghums, and barley that the producer shall participate in the special agricultural conservation program for 1963 for corn, grain sorghums, and barley to the extent prescribed by the Secretary: *Provided*, That the Secretary may provide that no producer of malting barley shall be required as a condition of eligibility for price support for barley to participate in the special agricultural conservation program for 1963 if such producer has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest in 1963, does not knowingly devote an acreage on the farm to barley in excess of 110 per centum of the average acreage devoted on the farm to barley in 1959 and 1960, and does not knowingly devote an acreage on the farm to corn and grain sorghums in excess of the average acreage devoted on the farm to corn and grain sorghums in 1959 and 1960.”

SEC. 302. Section 16 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by adding the following new subsection:

75 Stat. 6,  
301.  
7 USC 1441  
note.

49 Stat. 1151;  
Ante, p. 607.  
16 USC 590p.

“(g) Notwithstanding any other provision of law—

“(1) The Secretary shall formulate and carry out a special agricultural conservation program for 1963, without regard to provisions which would be applicable to the regular agricultural conservation program, under which, subject to such terms and conditions as the Secretary determines, conservation payments in amounts determined by the Secretary to be fair and reasonable shall be made to producers who divert acreage from the production of corn, grain sorghums, and barley to an approved conservation use and increase their average acreage of cropland devoted in 1959 and 1960 to designated soil-conserving crops or practices including summer fallow and idle land by an equal amount: *Provided*, That the Secretary may permit such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable, taking into consideration the use of such acreage for the production of such crops, but in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage. Such special agricultural conservation program shall require the producer to take such measures as the Secretary may deem appropriate to keep such diverted acreage free from erosion, insects, weeds, and rodents. The acreage eligible for payments in cash or in an equivalent amount in kind under such conservation program shall be an acreage equivalent to 20 per centum of the average acreage on the farm planted to corn, grain sorghums, and barley in the crop years 1959 and 1960 or up to twenty-five acres, whichever is greater. Payments in kind only may be made by the Secretary for the diversion of up to an additional 30 per centum of the average acreage on the farm planted to corn, grain sorghums, and barley, in the crop years 1959 and 1960. Payments may be made at the basic county support rate for the 1962 crop in effect at the time payment rates for the special feed grain program for 1963 are established, adjusted to reflect any changes between the national support rates for the 1962 and 1963 crops on an amount of the commodity not in excess of 50 per centum of the normal production of the acreage diverted from the commodity on the farm based on its adjusted average yield per acre for the 1959 and 1960 crop acreage. The Secretary may make such adjustments in acreage and yields for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, soil and water conservation measures, and topography. The Secretary may also make such adjustments in yields as he determines necessary to reflect any increases in yields since the 1959 and 1960 crop years as the result of the adoption or the improvement of an irrigation system if such improvement or adoption of such irrigation system was made prior to the effective date of this sentence but such adjustment in yields shall apply only to payments with respect to acreage diverted pursuant to the requirements of section 105(c)(6) of the Agricultural Act of 1949, as amended. To the extent that a producer proves the actual acreages and yields for the farm for the 1959 and 1960 crop years, such acreages and yields shall be used in

making determinations. The Secretary may make not to exceed 50 per centum of any payments to producers in advance of determination of performance. Notwithstanding any other provision of this subsection (g) (1), barley shall not be included in the program for a producer of malting barley exempted pursuant to section 105(c) (6) of the Agricultural Act of 1949 who participates only with respect to corn and grain sorghums and does not knowingly devote an acreage on the farm to barley in excess of 110 per centum of the average acreage devoted on the farm to barley in 1959 and 1960.

“(2) There are hereby authorized to be appropriated such amounts as may be necessary to enable the Secretary to carry out this section 16(g). Obligations may be incurred in advance of appropriations therefor and the Commodity Credit Corporation is authorized to advance from its capital funds such sums as may be necessary to pay administrative expenses in connection with such program during the fiscal year ending June 30, 1963, and to pay such costs as may be incurred in carrying out section 303 of the Food and Agriculture Act of 1962.

“(3) The Secretary shall provide by regulations for the sharing of payments under this subsection among producers on the farm on a fair and equitable basis and in keeping with existing contracts.”

SEC. 303. Payments in cash shall be made by Commodity Credit Corporation and payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for feed grains (valued at not less than the support price minus that part of the support price made available through payments in kind) and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the special feed grain program for 1963 authorized by this Act. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.

SEC. 304. Notwithstanding any other provision of law, the Secretary may place such limits on the extent that producers may participate in the special feed grain conservation program for 1963 authorized by this Act as he determines necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of corn, grain sorghums, or barley.

SEC. 305. The Agricultural Act of 1949, as amended, is amended by striking out subsection (a) of section 105 and inserting in lieu thereof the following:

“(a) Notwithstanding the provisions of section 101 of this Act, beginning with the 1964 crop, price support shall be made available to producers for each crop of corn at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not result in increasing Commodity Credit Corporation stocks of corn.”

*Ante*, p. 612.

72 Stat. 994.  
7 USC 1441 note.

63 Stat. 1051.  
7 USC 1441.

## SUBTITLE B—WHEAT

## PROGRAM FOR 1963

SEC. 306. Price support for the 1963 crop of wheat shall be made available as provided in section 101 of the Agricultural Act of 1949, as amended, except that (1) price support shall be made available only to cooperators, and only in the commercial wheat-producing area, (2) if the operator of the farm elects to participate in the program formulated under section 307—

63 Stat. 1051.  
7 USC 1441.

(A) price support shall be made available to the producers on such farm only if such producers divert from the production of wheat in accordance with the provisions of such program and acreage on the farm equal to the number of acres which such operator agrees to divert, and the agreement shall so provide, and

(B) the level of price support for wheat of the 1963 crop to such participating producers shall be at a national average of two dollars per bushel and the amount by which such level of two dollars per bushel exceeds the national average level available to cooperators who are not participating producers shall be made available as hereinafter provided, and

(3) the national average level of price support for wheat of the 1963 crop to cooperators who are not participating producers shall be one dollar and eighty-two cents per bushel. The amount by which the level of two dollars per bushel exceeds the level of price support available to cooperators who are not participating producers shall be made available through payments in kind, on the number of bushels of wheat determined by multiplying the actual acreage of wheat planted on the farm for harvest in 1963 by the normal yield of wheat for the farm. Such payments in kind shall be made through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem for wheat (such wheat to be valued by the Secretary at not less than the current support price for wheat to cooperators who are not participants in the program formulated under section 307) and, notwithstanding any other provision of law, the Commodity Credit Corporation shall, in accordance with regulations prescribed by the Secretary, assist the producer in the marketing of such certificates. In the case of any certificate not presented for redemption within 30 days of the date of its issuance, reasonable costs of storage and other carrying charges, as determined by the Secretary, for the period beginning 30 days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate. The Secretary shall provide for the sharing of such certificates among the producers on the farm on the basis of their respective shares in the wheat crop produced on the farm, or the proceeds therefrom. For purposes of section 407 of the Agricultural Act of 1949, the "current support price" for wheat during the marketing year for the 1963 crop shall be the support price for such crop to cooperators who are not participants in the program formulated under section 307.

63 Stat. 1055.  
7 USC 1427.

SEC. 307. (a) If marketing quotas are in effect for the 1963 crop of wheat, producers on any farm, except a farm on which a new farm wheat allotment is established for the crop, in the commercial wheat-producing area shall be eligible for payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

(1) Such producers shall divert from the production of wheat an acreage on the farm equal to 20 per centum of the higher of (i) the average acreage of the crops of wheat planted for harvest in the calendar years 1959, 1960, and 1961, with adjustments for

abnormal weather conditions, established crop-rotation practices on the farm, and such other factors as the Secretary determines should be considered, but not to exceed 15 acres, or (ii) the farm acreage allotment for the 1963 crop of wheat. Such producers may divert additional acreage on the farm not in excess of the larger of one and one-half times the amount diverted under the preceding sentence or such acreage as will bring the total acreage diverted to 10 acres: *Provided*, That the total acreage diverted shall not exceed the larger of (i) or (ii) of the preceding sentence.

(2) Such diverted acreage shall be devoted to conservation uses including summer fallow, approved by the Secretary, and such measures shall be taken as the Secretary may deem appropriate to keep such diverted acreage free from erosion, insects, weeds, and rodents: *Provided*, That the Secretary may permit such diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, and flax when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the provisions of subsection (b) (4) of this section.

(3) The total acreage of cropland on the farm devoted to soil-conserving uses, including summer-fallow and idle land, but excluding the acreage diverted as provided above and acreage diverted under the special program for feed grains, shall not be less than the total average acreage of cropland devoted to soil-conserving uses, including summer-fallow and idle land on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses, including summer-fallow and idle land, in 1959 and 1960, shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constitution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history.

(4) The actual acreage planted to wheat for harvest on the farm in 1963 shall be reduced by the total amount of acres diverted under this section below whichever of the following acreages is the larger—

(A) the farm acreage allotment for the 1963 crop of wheat;

(B) the average acreage of the crops of wheat planted for harvest in the calendar years 1959, 1960, and 1961 with adjustments as provided above, but not to exceed 15 acres.

(b) (1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be eligible for payments which shall be made by Commodity Credit Corporation in cash or wheat not in excess of 50 per centum of the value, at the estimated basic county support rate (available to cooperators who are not participants in the program formulated pursuant to this section) per bushel for Number 1 wheat for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres other than acres devoted to special crops pursuant to the proviso in subsection (a) (2) of this section, payment for which shall be computed in accordance with subsection (b) (4) of this section.

(2) The Secretary may make such adjustments in yields for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, type of soil, soil and water conservation measures, and topography. To the extent that a producer proves the actual yields for the farm for the 1959 and 1960 crop years, such yields shall be used in making determinations.

(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If payments are made in wheat, the value of the payments in cash shall be converted to wheat at not less than the current support price for wheat to cooperators who are not participants in the program formulated pursuant to this section. Wheat received as payment-in-kind may be marketed without penalty but shall not be eligible for price support.

(4) Payment with respect to diverted acreage devoted to special crops pursuant to the proviso of subsection (a)(2) of this section shall be at a rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage.

(c) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

(d) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

(e) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

(f) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

(g) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted hereunder, and in determining production of the crop of wheat for the purpose of releasing wheat from storage on account of underproduction the normal yield of the acres diverted from the allotment shall be deemed to be actual production of wheat.

(h) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

(i) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1963. There is authorized to be appropriated such amounts as may be necessary to pay administrative expenses necessary in carrying out this section after June 30, 1963.

52 Stat. 31.  
7 USC 1281.

75 Stat. 300.  
7 USC 1334.  
*Ante*, p. 615.

SEC. 308. (a) Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing the period to a comma at the end of the next to the last sentence and adding the following: "or section 307 of the Food and Agriculture Act of 1962."

(b) The special wheat program formulated under section 307 of this Act shall not be applicable to any farm receiving an additional allotment under section 334(i) of the Agricultural Adjustment Act of 1938, as amended.

72 Stat. 101;  
75 Stat. 778.

75 Stat. 297;  
*Post*, p. 909.

SEC. 309. Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)), as amended, is amended by changing the period at the end thereof to a colon, and adding the following: "*Provided further*, That a farm marketing quota on the 1963 crop of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) 15 acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961."

#### PROGRAM FOR 1964 AND SUBSEQUENT CROPS

##### SUBTITLE B—WHEAT

52 Stat. 52.  
7 USC 1331.

SEC. 310. Section 331 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by striking out the last paragraph thereof and inserting in lieu thereof the following paragraphs:

"Wheat which is planted and not disposed of prior to the date prescribed by the Secretary for the disposal of excess acres of wheat is an addition to the total supply of wheat and has a direct effect on the price of wheat in interstate and foreign commerce and may also affect the supply and price of livestock and livestock products. In the circumstances, wheat not disposed of prior to such date must be considered in the same manner as mechanically harvested wheat in order to achieve the policy of the Act.

"The diversion of substantial acreages from wheat to the production of commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage would burden, obstruct, and adversely affect interstate and foreign commerce in such commodities, and would adversely affect the prices of such commodities in interstate and foreign commerce. Small changes in the supply of a commodity could create a sufficient surplus to affect seriously the price of such commodity in interstate and foreign commerce. Large changes in the supply of such commodity could have a more acute effect on the price of the commodity in interstate and foreign commerce and, also, could overtax the handling, processing, and transportation facilities through which the flow of interstate and foreign commerce in such commodity is directed. Such adverse effects caused by overproduction in one year could further result in a deficient supply of the commodity in the succeeding year, causing excessive increases in the price of the commodity in interstate and foreign commerce in such year. It is, therefore, necessary to prevent acreage diverted from the production of wheat to be used to produce commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage.

"The provisions of this part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, to provide for an adequate and orderly flow of wheat and its products in interstate and foreign commerce at prices which are fair and reasonable to farmers and consumers, and to prevent acreage diverted from the pro-

duction of wheat from adversely affecting other commodities in interstate and foreign commerce.”

SEC. 311. Section 332 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by striking out the provisions of such section and by inserting in lieu thereof the following:

68 Stat. 903.  
7 USC 1332.

“NATIONAL MARKETING QUOTA

“SEC. 332. (a) Whenever prior to April 15 in any calendar year the Secretary determines that the total supply of wheat in the marketing year beginning in the next succeeding calendar year will, in the absence of a marketing quota program, likely be excessive, the Secretary shall proclaim that a national marketing quota for wheat shall be in effect for such marketing year and for either the following marketing year or the following two marketing years, if the Secretary determines and declares in such proclamation that a two- or three-year marketing quota program is necessary to effectuate the policy of the Act.

“(b) If a national marketing quota for wheat has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 or later than April 15 of the calendar year preceding the year in which such marketing year begins. The amount of the national marketing quota for wheat for any marketing year shall be an amount of wheat which the Secretary estimates (i) will be utilized during such marketing year for human consumption in the United States as food, food products, and beverages, composed wholly or partly of wheat, (ii) will be utilized during such marketing year in the United States for seed, (iii) will be exported either in the form of wheat or products thereof, and (iv) as the average amount which was utilized as livestock (including poultry) feed in the marketing years beginning in 1959 and 1960; less (A) an amount of wheat equal to the estimated imports of wheat into the United States during such marketing year and, (B) if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of wheat in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the national marketing quota for wheat for any marketing year shall be not less than one billion bushels.

“(c) If, after the proclamation of a national marketing quota for wheat for any marketing year, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for wheat, the national marketing quota should be terminated or the amount thereof increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such national marketing quota shall be so increased or terminated. In case any national marketing quota is increased under this subsection, the Secretary shall provide for such increase by increasing acreage allotments established under this part by a uniform percentage.”



SEC. 312. Section 333 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows:

52 Stat. 53.  
7 USC 1333.

“NATIONAL ACREAGE ALLOTMENT

“SEC. 333. Whenever the amount of the national marketing quota for wheat is proclaimed for any marketing year, the Secretary at the same time shall proclaim a national acreage allotment for the crop of wheat planted for harvest in the calendar year in which such marketing year begins. The amount of the national acreage allotment for any crop of wheat shall be the number of acres which the Secretary determines on the basis of expected yields and expected underplantings of farm acreage allotments will, together with (1) the expected production on the increases in acreage allotments for farms based upon small-farm base acreages pursuant to section 335, and (2) the expected production on increased acreages resulting from the small-farm exemption pursuant to section 335, make available a supply of wheat equal to the national marketing quota for wheat for such marketing year.”

Post, p. 621;  
7 USC 1335.

SEC. 313. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is further amended as follows:

7 USC 1334.  
75 Stat. 300.

(1) By amending subsection (e) thereof by striking out in the first sentence thereof “any of the 1962, 1963, and 1964 crops” and inserting in lieu thereof “the 1962 and 1963 crops”.

70 Stat. 1117.

(2) By repealing subsection (g) thereof and by redesignating subsections (h) and (i) thereof as (g) and (h) respectively.

72 Stat. 101;  
75 Stat. 778.

(3) By amending subsection (i) thereof, redesignated by this section as subsection (h), by inserting the following sentence immediately following the seventh sentence thereof: “The land-use provisions of section 339 shall not be applicable to any farm receiving an additional allotment under this subsection.”

Post, p. 622.

(4) By adding at the end thereof the following new subsection: “(i) If, with respect to any crop of wheat, the Secretary finds that the acreage allotments of farms producing any type of wheat are inadequate to provide for the production of a sufficient quantity of such type of wheat to satisfy the demand therefor, the wheat acreage allotment for such crop for each farm located in a county designated by the Secretary as a county which (1) is capable of producing such type of wheat, and (2) has produced such type of wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for any crop if any wheat other than such type of wheat is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. The land-use provisions of section 339 shall not be applicable to any farm receiving an increased allotment under this subsection and the producers on such farms shall not be required to comply with such provisions as a condition of eligibility for price support.”

55 Stat. 204.  
52 Stat. 51.  
7 USC 1326.

SEC. 314. Part III of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding immediately after section 334 thereof the following:

52 Stat. 52.  
7 USC 1331-  
1339.

## “COMMERCIAL AREA

“SEC. 334a. If the acreage allotment for any State for any crop of wheat is twenty-five thousand acres or less, the Secretary, in order to promote efficient administration of this Act and the Agricultural Act of 1949, may designate such State as outside the commercial wheat-producing area for the marketing year for such crop. If such State is so designated, acreage allotments for such crop and marketing quotas for the marketing year therefor shall not be applicable to any farm in such State. Acreage allotments in any State shall not be increased by reason of such designation.”

SEC. 315. Section 335 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows:

52 Stat. 54.  
7 USC 1335.

## “SMALL FARM EXEMPTION

“SEC. 335. Notwithstanding any other provision of this part, no farm marketing quota for any crop of wheat shall be applicable to any farm with a farm acreage allotment of less than fifteen acres if the acreage of such crop of wheat does not exceed the small-farm base acreage determined for the farm, unless the operator elects in writing on a form and within the time prescribed by the Secretary to be subject to the farm acreage allotment and marketing quota. The small-farm base acreage for a farm shall be the smaller of (A) the average acreage of the crop of wheat planted for harvest in the three years 1959, 1960, and 1961, or such later three-year period, excluding 1963, determined by the Secretary to be representative, with adjustments for abnormal weather conditions, established crop-rotation practices on the farm, and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable small-farm base acreage, or (B) fifteen acres. The acreage allotment for any farm shall be the larger of (1) the small-farm base acreage determined as provided above on the basis of the three-year period 1959–1961, reduced by the same percentage by which the national acreage allotment for the crop is reduced below fifty-five million acres, or (2) the acreage allotment determined without regard to (1) above. If the operator of any such farm fails to make such election with respect to any crop of wheat, (i) for the purposes of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340), as amended, the farm acreage allotment for such crop of wheat shall be deemed to be the larger of (A) the small-farm base acreage or (B) the acreage allotment for the farm, (ii) the land-use provisions of section 339 shall be inapplicable to the farm, (iii) such crop of wheat shall not be eligible for price support, and (iv) wheat marketing certificates applicable to such crop shall not be issued with respect to the farm. The additional acreage required to provide acreage allotments for farms based upon small-farm base acreages under this section shall be in addition to National, State, and county acreage allotments.”

55 Stat. 203.

Post, p. 622.

SEC. 316. Section 336 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows:

52 Stat. 55.  
7 USC 1336.

## “REFERENDUM

“SEC. 336. If a national marketing quota for wheat for one, two, or three marketing years is proclaimed, the Secretary shall, not later than sixty days after such proclamation is published in the Federal Register, conduct a referendum, by secret ballot, of farmers to determine whether they favor or oppose marketing quotas for the marketing year or years for which proclaimed. Any producer who has a farm acreage allotment shall be eligible to vote in any referendum held pursuant to

*Ante*, p. 621.

this section, except that a producer who has a farm acreage allotment of less than fifteen acres shall not be eligible to vote unless the farm operator elected pursuant to section 335 to be subject to the farm marketing quota. The Secretary shall proclaim the results of any referendum held hereunder within thirty days after the date of such referendum, and if the Secretary determines that more than one-third of the farmers voting in the referendum voted against marketing quotas, the Secretary shall proclaim that marketing quotas will not be in effect with respect to the crop of wheat produced for harvest in the calendar year following the calendar year in which the referendum is held. If the Secretary determines that two-thirds or more of the farmers voting in a referendum approve marketing quotas for a period of two or three marketing years, no referendum shall be held for the subsequent year or years of such period."

52 Stat. 55.  
7 USC 1337.

SEC. 317. Section 337 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed.

SEC. 318. The Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding after section 338 a new section as follows:

"LAND USE

"SEC. 339. (a) (1) During any year in which marketing quotas for wheat are in effect, the producers on any farm (except a new farm receiving an allotment from the reserve for new farms) on which any crop is produced on acreage required to be diverted from the production of wheat shall be subject to a penalty on such crop, in addition to any marketing quota penalty applicable to such crops, as provided in this subsection unless (1) the crop is designated by the Secretary as one which is not in surplus supply and will not be in surplus supply if it is permitted to be grown on the diverted acreage, or as one the production of which will not substantially impair the purpose of the requirements of this section, or (2) no wheat is produced on the farm, and the producers have not filed an agreement or a statement of intention to participate in the payment program formulated pursuant to subsection (b) of this section. The acreage required to be diverted from the production of wheat on the farm shall be an acreage of cropland equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment. The actual production of any crop subject to penalty under this subsection shall be regarded as available for marketing and the penalty on such crop shall be computed on the actual acreage of such crop at the rate of 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which such crop is harvested, multiplied by the normal yield of wheat per acre established for the farm. Until the producers on any farm pay the penalty on such crop, the entire crop of wheat produced on the farm and any subsequent crop of wheat subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty. Each producer having an interest in the crop or crops on acreage diverted or required to be diverted from the production of wheat shall be jointly and severally liable for the entire amount of the penalty. The persons liable for the payment or collection of the penalty under this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

“(2) The Secretary may require that the acreage on any farm diverted from the production of wheat be land which was diverted from the production of wheat in the previous year, to the extent he determines that such requirement is necessary to effectuate the purposes of this subtitle.

“(3) The Secretary may permit the diverted acreage to be grazed in accordance with regulations prescribed by the Secretary.

“(b) The Secretary is authorized to formulate and carry out a program with respect to the 1964 and 1965 crops of wheat under which, subject to such terms and conditions as he determines are desirable to effectuate the purposes of this section, payments may be made in amounts not in excess of 50 per centum of the estimated basic county support rate on the normal production of the acreage diverted taking into account the income objectives of the Act, determined by the Secretary to be fair and reasonable with respect to acreage diverted pursuant to subsection (a) of this section. The Secretary may permit producers on any farm to divert from the production of wheat an acreage, in addition to the acreage diverted pursuant to subsection (a), equal to 20 per centum of the farm acreage allotment for wheat: *Provided*, That the producers on any farm may, at their election, divert such acreage in addition to the acreage diverted pursuant to subsection (a), as will bring the total acreage diverted on the farm to fifteen acres. Such program shall require (1) that the diverted acreage shall be devoted to conservation uses approved by the Secretary; (2) that the total acreage of cropland on the farm devoted to soil-conserving uses, including summer fallow and idle land but excluding the acreage diverted as provided above, shall be not less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm during a representative period, as determined by the Secretary, adjusted to the extent the Secretary determines appropriate for (i) abnormal weather conditions or other factors affecting production, (ii) established crop-rotation practices on the farm, (iii) participation in other Federal farm programs, (iv) unusually high percentage of land on the farm devoted to conserving uses, and (v) other factors which the Secretary determines should be considered for the purpose of establishing a fair and equitable soil-conserving acreage for the farm; and (3) that the producer shall not knowingly exceed (i) any farm acreage allotment in effect for any commodity produced on the farm, and (ii) except as the Secretary may by regulations prescribe, with the farm acreage allotments on any other farm for any crop in which the producer has a share: *Provided*, That no producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty: *And provided further*, That no producer shall be deemed to have exceeded a farm acreage allotment for any crop of wheat if the farm is exempt from the farm marketing quota for such crop under section 335. The producers on a new farm shall not be eligible for payments hereunder. The Secretary shall provide for the sharing of payment among producers on the farm on a fair and equitable basis. Payments may be made in cash or in wheat.

“(c) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the land-use program formulated under subsection (b) of this section.

“(d) Not to exceed 50 per centum of any payment to producers under subsection (b) of this section may be made in advance of determination of performance.

*Ante*, p. 621.

“(e) The Secretary may permit the diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage.

“(f) The program formulated pursuant to subsection (b) of this section may include such terms and conditions, including provision for the control of erosion, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

“(g) The Secretary is authorized to promulgate such regulations as may be desirable to carry out the provisions of this section.

“(h) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this section and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1963. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.”

SEC. 319. Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340), as amended, is hereby amended as follows:

(1) By amending paragraph (1) to read as follows:

“(1) The farm marketing quota for any crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations issued by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be an amount equal to the actual production of the number of acres of wheat on the farm in excess of the farm acreage allotment for such crop. In determining the farm marketing quota and farm marketing excess, any acreage of wheat remaining after the date prescribed by the Secretary for the disposal of excess acres of wheat shall be included as acreage of wheat on the farm, and the production thereof shall be appraised in such manner as the Secretary determines will provide a reasonably accurate estimate of such production. Any acreage of wheat disposed of in accordance with regulations issued by the Secretary prior to such date as may be prescribed by the Secretary shall be excluded in determining the farm marketing quota and farm marketing excess. Self-seeded (volunteer) wheat shall be included in determining the acreage of wheat. Marketing quotas for any marketing year shall be in effect with respect to wheat harvested in the calendar year in which such marketing year begins notwithstanding that the wheat is marketed prior to the beginning of such marketing year.”

(2) By amending paragraph (2) to read as follows:

55 Stat. 204.

"(2) Whenever farm marketing quotas are in effect with respect to any crop of wheat, the producers on a farm shall be subject to a penalty on the farm marketing excess of wheat at a rate per bushel equal to 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which the crop is harvested. Each producer having an interest in the crop of wheat on any farm for which a farm marketing excess of wheat is determined shall be jointly and severally liable for the entire amount of the penalty on the farm marketing excess."

(3) By inserting in paragraph (3) "twice" before "the normal production" in the first and second sentences thereof, and by inserting in the second sentence thereof "twice the" between "of" and "normal" in the phrase "upon the basis of normal production", by striking out "corn and" from the first sentence thereof, and by striking out "corn or" from the last sentence thereof.

(4) By amending paragraph (4) to read as follows:

"(4) Until the producers on any farm store, deliver to the Secretary, or pay the penalty on, the farm marketing excess of any crop of wheat, the entire crop of wheat produced on the farm and any subsequent crop of wheat subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty."

(5) By striking out "corn or" from paragraph (5).

(6) By striking out "corn or" from paragraph (6).

(7) By repealing paragraph (7), and by renumbering paragraphs (8) through (11) as (7) through (10), respectively.

75 Stat. 297.

(8) By striking out "corn or" and ", as the case may be," from paragraph (8), redesignated by this section as paragraph (7), and adding at the end of such paragraph the following sentence: "If the buyer fails to collect such penalty, such buyer and all persons entitled to share in the wheat marketed from the farm or the proceeds thereof shall be jointly and severally liable for such penalty."

55 Stat. 205.

(9) By repealing paragraph (12), and by adding the following new paragraphs to follow paragraph (11), redesignated by this section as paragraph (10):

55 Stat. 872.

"(11) The persons liable for the payment or collection of the penalty on any amount of wheat shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(12) If marketing quotas for wheat are not in effect for any marketing year, all previous marketing quotas applicable to wheat shall be terminated, effective as of the first day of such marketing year. Such termination shall not abate any penalty previously incurred by a producer or relieve any buyer of the duty to remit penalties previously collected by him."

SEC. 320. Section 301(b) (13) of the Agricultural Adjustment Act of 1938, as amended, is amended—

7 USC 1301.

(1) by striking out paragraph (A);

68 Stat. 902.

(2) by inserting in paragraphs (D) and (E) after the words "in the case of rice" the words "and wheat", by inserting in said paragraphs after the words "per acre of rice" the following: "or wheat, as the case may be.", and by inserting in said paragraph after "determined" the following: "in the case of rice, or during the five years immediately preceding the year in which such normal yield is determined in the case of wheat";

70 Stat. 212.

(3) by striking from paragraph (G) the following: (A) "wheat," in each of the two places it first occurs therein; (B) "and, in the case of wheat, but not in the case of corn, cotton, or

peanuts, for trends in yields"; (C) "ten calendar years in the case of wheat, and"; and (D) "in the case of corn, cotton, or peanuts,".

SEC. 321. Section 371 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended as follows:

(1) Subsection (a) is amended by deleting "corn, wheat," in the first sentence thereof.

(2) The first sentence of subsection (b) is amended by striking out "any national acreage allotment for corn or", "wheat," and "in order to effect the declared policy of this Act or".

SEC. 322. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by inserting in the first sentence after "parity payment," the following: "payment under section 339,".

SEC. 323. The amendments to the Agricultural Adjustment Act of 1938, as amended, and to Public Law 74, Seventy-seventh Congress, as amended, made by sections 310 through 322 of this Act shall be in effect only with respect to programs applicable to the crops planted for harvest in the calendar year 1964 or any subsequent year and the marketing years beginning in the calendar year 1964, or any subsequent year.

#### WHEAT MARKETING ALLOCATION PROGRAM

SEC. 324. Title III of the Agricultural Adjustment Act of 1938, as amended, is hereby amended (1) by designating subtitles D and E as subtitles E and F, respectively, and (2) by inserting after subtitle C a new subtitle D as follows:

#### "SUBTITLE D—WHEAT MARKETING ALLOCATION

##### "LEGISLATIVE FINDINGS

"SEC. 379a. Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is necessary to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. Unreasonably low prices of wheat to producers impair their purchasing power for nonagricultural products and place them in a position of serious disparity with other industrial groups. The conditions affecting the production of wheat are such that without Federal assistance, producers cannot effectively prevent disastrously low prices for wheat. It is necessary, in order to assist wheat producers in obtaining fair prices, to regulate the price of wheat used for domestic food and for exports in the manner provided in this subtitle.

##### "WHEAT MARKETING ALLOCATION

"SEC. 379b. During any marketing year for which a marketing quota is in effect for wheat, beginning with the marketing year for the 1964 crop, a wheat marketing allocation program shall be in effect as provided in this subtitle. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat which in determining the national marketing quota for such marketing year he estimated would be used during such year for human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat, and that portion of the amount of wheat which in determining such quota he estimated would be exported in the form of wheat or products thereof during the marketing year on which the Secretary determines that marketing

7 USC 1371.

52 Stat. 64.

68 Stat. 904.

52 Stat. 68.

7 USC 1385.

Ante, p. 622.

52 Stat. 38.

7 USC 1301 et seq.

certificates shall be issued to producers in order to achieve, insofar as practicable, the price and income objectives of this subtitle, and (2) the national allocation percentage which shall be the percentage which the national marketing allocation is of the national marketing quota. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage. If a noncommercial wheat-producing area is established for any marketing year, farms in such area shall be given wheat marketing allocations which are determined by the Secretary to be fair and reasonable in relation to the wheat marketing allocation given producers in the commercial wheat-producing area.

#### “MARKETING CERTIFICATES

“SEC. 379c. (a) The Secretary shall provide for the issuance of wheat marketing certificates for each marketing year for which a wheat marketing allocation program is in effect for the purpose of enabling producers on any farm with respect to which certificates are issued to receive, in addition to the other proceeds from the sale of wheat, an amount equal to the value of such certificates. The wheat marketing certificates issued with respect to any farm for any marketing year shall be in the amount of the farm wheat marketing allocation for such year, but not to exceed (i) the actual acreage of wheat planted on the farm for harvest in the calendar year in which the marketing year begins multiplied by the normal yield of wheat for the farm, plus (ii) the amount of wheat stored to avoid or postpone a marketing quota penalty, which is released from storage during the marketing year on account of underplanting or underproduction. The Secretary shall provide for the sharing of wheat marketing certificates among producers on the farm on the basis of their respective shares in the wheat crop produced on the farm, or the proceeds therefrom.

“(b) No producer shall be eligible to receive wheat marketing certificates with respect to any farm for any marketing year in which a marketing quota penalty is assessed for any commodity on such farm or in which the farm has not complied with the land-use requirements of section 339 to the extent prescribed by the Secretary, or in which, except as the Secretary may by regulation prescribe, the producer exceeds the farm acreage allotment on any other farm for any commodity in which he has an interest as a producer. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335.

*Ante, p. 622.*

“(c) Whenever a wheat marketing allocation program is in effect for any marketing year, the Secretary shall determine and proclaim for such marketing year the face value per bushel of marketing certificates. The face value per bushel of marketing certificates shall be equal to the amount by which the level of price support for wheat accompanied by certificates exceeds the level of price support for wheat not accompanied by certificates (noncertificate wheat).

*Ante, p. 621.*

“(d) Marketing certificates and transfers thereof shall be represented by such documents, marketing cards, records, accounts, certifications, or other statements or forms as the Secretary may prescribe.



## “MARKETING RESTRICTIONS

“SEC. 379d. (a) All persons are prohibited from acquiring marketing certificates from the producer to whom such certificates are issued, unless such certificates are acquired in connection with the acquisition from such producer of a number of bushels of wheat equivalent to the marketing certificates. Marketing certificates shall be transferable only in accordance with regulations prescribed by the Secretary. Any unused certificates legally held by persons other than the producer to whom such certificates are issued shall be purchased by Commodity Credit Corporation if tendered to the Corporation for purchase in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions of this section, Commodity Credit Corporation is authorized to purchase from producers certificates not accompanied by wheat in cases where the Secretary determines that it would constitute an undue hardship to require the producer to transfer his certificates only in connection with the disposition of wheat.

“(b) During any marketing year for which a wheat marketing allocation program is in effect, (i) all persons engaged in the processing of wheat into food products shall, prior to marketing any such product for human food in the United States, acquire marketing certificates equivalent to the number of bushels of wheat contained in such product, and (ii) all persons exporting wheat or food products shall prior to such export acquire marketing certificates equivalent to the number of bushels so exported. Marketing certificates shall be valid to cover only sales or exportations made during the marketing year with respect to which they are issued, and after being once used to cover a sale or export of a food product or an export of wheat shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions hereof, the Secretary may require marketing certificates issued for any marketing year to be acquired to cover sales or exportations made on or after the date during the calendar year in which wheat harvested in such calendar year begins to be marketed as determined by the Secretary even though such wheat is marketed prior to the beginning of the marketing year, and marketing certificates for such marketing year shall be valid to cover sales or exportations made on or after the date so determined by the Secretary.

“(c) Upon the giving of a bond or other undertaking satisfactory to the Secretary to secure the purchase of and payment for such marketing certificates as may be required, and subject to such regulations as he may prescribe, any person required to have marketing certificates in order to market or export a commodity may be permitted to market any such commodity without having first acquired marketing certificates.

“(d) As used in this subtitle, the term ‘food products’ means any product composed wholly or partly of wheat to be used for human consumption, including beverage.

“Food products.”

## “ASSISTANCE IN PURCHASE AND SALE OF MARKETING CERTIFICATES

“SEC. 379e. For the purpose of facilitating the purchase and sale of marketing certificates, the Commodity Credit Corporation is authorized to issue, buy, and sell marketing certificates in accordance with regulations prescribed by the Secretary. Such regulations may authorize the Corporation to issue and sell certificates in excess of the quantity of certificates which it purchases. Such regulations may authorize the Corporation in the sale of marketing certificates to charge, in addition to the face value thereof, an amount determined

by the Secretary to be appropriate to cover estimated administrative costs in connection with the purchase and sale of the certificates and estimated interest incurred on funds of the Corporation invested in certificates purchased by it.

#### "CONVERSION FACTORS

"SEC. 379f. The Secretary shall establish conversion factors which shall be used to determine the amount of wheat contained in any food product. The conversion factor for any such food product shall be determined upon the basis of the weight of wheat used in the manufacture of such product.

#### "AUTHORITY TO FACILITATE TRANSITION

"SEC. 379g. The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the program currently in effect to the program provided for in this subtitle. Notwithstanding any other provision of this subtitle, such authority shall include, but shall not be limited to, the authority to exempt all or a portion of the wheat or food products made therefrom in the channels of trade on the effective date of the program under this subtitle from the marketing restrictions in subsection (b) of section 379d, or to sell certificates to persons owning such wheat or food products at such prices as the Secretary may determine. Any such certificate shall be issued by Commodity Credit Corporation.

#### "REPORTS AND RECORDS

"SEC. 379h. This section shall apply to processors of wheat, warehousemen and exporters of wheat and food products, and all persons purchasing, selling, or otherwise dealing in wheat marketing certificates. Any such person shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this subtitle. Such information shall be reported and such records shall be kept in such manner as the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memorandums as he has reason to believe are relevant and are within the control of such person.

#### "PENALTIES

"SEC. 379i. (a) Any person who violates or attempts to violate or who participates or aids in the violation of any of the provisions of subsection (b) of section 379d of this Act shall forfeit to the United States a sum equal to two times the face value of the marketing certificates involved in such violation. Such forfeiture shall be recoverable in a civil action brought in the name of the United States.

"(b) Any person, except a producer in his capacity as a producer, who violates or attempts to violate or who participates or aids in the violation of any provision of this subtitle, or of any regulation, governing the acquisition, disposition, or handling of marketing certificates or who fails to make any report or keep any record as required by section 379h shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$5,000 for each violation.

"(c) Any person who, in his capacity as a producer, knowingly violates or attempts to violate or participates or aids in the violation of any provision of this subtitle, or of any regulation, governing the acquisition, disposition, or handling of marketing certificates or fails to make any report or keep any record as required by section 379h shall, (i) forfeit any right to receive marketing certificates, in whole or in part as the Secretary may determine, with respect to the farm or farms and for the marketing year with respect to which any such act or default is committed, or (ii), if such marketing certificates have already been issued, pay to the Secretary, upon demand, the amount of the face value of such certificates, or such part thereof as the Secretary may determine. Such determination by the Secretary with respect to the amount of such marketing certificates to be forfeited or the amount to be paid by such producer shall take into consideration the circumstances relating to the act or default committed and the seriousness of such act or default.

"(d) Any person who falsely makes, issues, alters, forges, or counterfeits any marketing certificate, or with fraudulent intent possesses, transfers, or uses any such falsely made, issued, altered, forged, or counterfeited marketing certificate, shall be deemed guilty of a felony and upon conviction thereof shall be subject to a fine of not more than \$10,000 or imprisonment of not more than ten years, or both.

#### "REGULATIONS

"SEC. 379j. The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this subtitle including but not limited to regulations governing the acquisition, disposition, or handling of marketing certificates."

63 Stat. 1051.  
7 USC 1421 note.

SEC. 325. The Agricultural Act of 1949, as amended, is amended as follows:

74 Stat. 6.  
7 USC 1445.

(1) By inserting after section 106 the following new section:

"SEC. 107. Notwithstanding the provisions of section 101 of this Act, beginning with the 1964 crop—

63 Stat. 1054.  
7 USC 1421.

"(1) price support for wheat accompanied by marketing certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate taking into consideration the factors specified in section 401(b),

"(2) if marketing quotas are in effect for wheat price support for wheat not accompanied by marketing certificates shall be at such level as the Secretary determines appropriate taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains,

"(3) price support shall be made available only to cooperators; and if a commercial wheat-producing area is established for such crop, price support shall be made available only in the commercial wheat-producing area,

"(4) the level of price support for any crop of wheat for which a national marketing quota is not proclaimed or for which marketing quotas have been disapproved by producers shall be as provided in section 101, and

"(5) if marketing quotas are in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat or any other commodity on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment on any other farm for any

commodity in which he has an interest as a producer, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. If marketing quotas are not in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for wheat. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335."

*Ante*, p. 622.

(2) By changing the period at the end of the third sentence in section 407 to a colon and adding the following: "*Provided*, That if a wheat marketing allocation program is in effect, the current support price for wheat shall be the support price for wheat accompanied by marketing certificate and wheat sold shall be accompanied by a marketing certificate."

*Ante*, p. 621.

63 Stat. 1055.  
7 USC 1427.

SEC. 326. Notwithstanding any other provision of law, performance rendered in good faith in reliance upon action or advice of an authorized representative of the Secretary may be accepted as meeting the requirements of subsections (c), (d), and (g) of section 16 of the Soil Conservation and Domestic Allotment Act, as amended, or of section 307 of the Food and Agriculture Act of 1962, section 339 of the Agricultural Act of 1938, as amended, or of section 124 of the Agricultural Act of 1961, and payment may be made therefor in accordance with such action or advice to the extent the Secretary deems it desirable in order to provide fair and equitable treatment.

75 Stat. 6, 302;  
*Ante*, p. 613.  
16 USC 590p.  
*Ante*, p. 615.  
*Ante*, p. 622.  
75 Stat. 297.  
7 USC 1334  
note.

SEC. 327. In the establishment of State, county, and farm acreage allotments for wheat under the Agricultural Adjustment Act of 1938, as amended, the acreage which is determined under regulations of the Secretary to have been diverted from the production of wheat under the special programs formulated pursuant to section 307 of this Act, section 339 of the Agricultural Adjustment Act of 1938, as amended, and section 124 of the Agricultural Act of 1961, shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of wheat.

SEC. 328. Effective with the 1964 crop, during any year in which an acreage diversion program is in effect for feed grains, the Secretary shall, notwithstanding any other provision of law, permit producers of feed grains to have acreage devoted to the production of feed grains considered as devoted to the production of wheat and producers of wheat to have acreage devoted to the production of wheat considered as devoted to the production of feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program for feed grains or wheat.

#### TITLE IV—GENERAL PROVISIONS

SEC. 401. The Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) is amended as follows:

(1) By inserting in section 303 after "use and conservation" a comma and the following "including recreational uses and facilities";

7 USC 1921  
note.  
7 USC 1923.

7 USC 1926.

(2) By inserting in section 306(a) after "soil conservation practices," the following: "shifts in land use including the development of recreational facilities,";

7 USC 1929.

(3) By striking out in section 309(f) (1) the figure "\$10,000,000" and inserting in lieu thereof the figure "\$25,000,000";

7 USC 1942.

(4) By inserting in section 312 after the words "and conservation" the words "including recreational uses and facilities"; and

(5) By adding at the end thereof a new section as follows:

"Farmers."

"SEC. 343. As used in this title (1) the term 'farmers' shall be deemed to include persons who are engaged in, or who, with assistance afforded under this title, intend to engage in, fish farming, and (2) the term 'farming' shall be deemed to include fish farming."

"Farming."

SEC. 402. Congress hereby reconfirms its long-standing policy of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation to the maximum extent practicable to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation, to encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation.

68 Stat. 906.

7 USC 608c.

SEC. 403. The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended as follows: Section 8c(6) is amended by striking the period at the end of (I) thereof and inserting in lieu thereof the following: ": *Provided*, That with respect to orders applicable to cherries such projects may provide for any form of marketing promotion including paid advertising."

75 Stat. 293.

7 USC 1427.

SEC. 404. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new sentence as follows: "Notwithstanding the foregoing, whenever prior to December 31, 1963, the Secretary determines it necessary in order to assure the Nation an adequate supply of milk free of contamination by radioactive fallout, he may make feed owned or controlled by the Commodity Credit Corporation available to producers of milk in any area or areas of the United States at such prices and on such terms and conditions as he deems appropriate in the public interest."

SEC. 405. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of this Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

Approved September 27, 1962, 1:00 p.m.

## Public Law 87-704

### AN ACT

September 27, 1962  
[H. R. 2292]

To authorize the Secretary of the Treasury to issue certificates of honorable service in lieu of certificates of disenrollment to certain persons who served as temporary members of the United States Coast Guard Reserve during World War II.

Coast Guard.  
Reserves, recognition.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That chapter 21 of of title 14, United States Code, be amended by inserting therein after section 762 the following new section:

**“§ 763. Certificate of honorable service of temporary members**

“In recognition of the service of temporary members of the Reserve during World War II, the Secretary may upon request issue an appropriate certificate of honorable service in lieu of a certificate of disenrollment issued to any person following disenrollment under honorable conditions from service as a temporary member during the period from December 7, 1941, to July 1, 1946, both dates inclusive. Issuance of a certificate of honorable service to any person under this section does not entitle him to any rights, privileges, or benefits under any law of the United States.”

(b) The analysis of chapter 21 of title 14, United States Code, is amended by inserting following

“762. Women’s Reserve”

the following:

“763. Certificate of honorable service of temporary members.”

Approved September 27, 1962.

## Public Law 87-705

## AN ACT

To amend the District of Columbia Unemployment Compensation Act, as amended.

September 27, 1962  
[H. R. 12762]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) section 3(c) (4) (i) of the District of Columbia Unemployment Compensation Act, approved August 28, 1935 (49 Stat. 946), as amended (sec. 46-303, D.C. Code), is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: “*Provided*, That for the calendar year 1963, and for each calendar year thereafter, any employer who is subject to this Act by virtue of the amendment of section 1(b) (5) (G) of this Act by the Act of March 30, 1962, and who has not been subject to this Act for a sufficient period to meet this requirement, may qualify for a rate less than the standard rate if his account could have been charged with benefit payments throughout a lesser period but, in no event, less than the twelve consecutive calendar months ending on the computation date (as herein defined) for that calendar year.”

D. C. Unemployment Compensation Act, amendment.  
Experience rating period.  
57 Stat. 106.

Ante, p. 46.

(b) Section 3(c) (5) of such Act is amended by adding at the end thereof the following: “The Board shall compute rates for the second six months of 1963 for all employers first acquiring the necessary twelve months’ benefit experience under section 3(c) (4) (i) on the computation date June 30, 1963. Such rates shall be based upon such employer’s experience in the payment of contributions and benefits charged against his account through June 30, 1963, prior to the crediting of his account with trust fund interest. All employers issued a rate for the second six months of 1963, under this subsection, shall have a computation date of September 30, 1963, for the calendar year 1964.”

60 Stat. 527.  
Classification of employers.

(c) Section 3(c) (9) (b) of such Act is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a colon and the following: “*Provided*, That for an employer whose account could have been charged with benefit payments throughout at least twelve but less than thirty-six consecutive calendar months ending on the computation date, the term ‘average annual payroll’ means the total amount of wages for employment paid by him during the twelve-month period ending ninety days prior to the computation date;”.

57 Stat. 108.

“Average annual payroll.”

Approved September 27, 1962.

## Public Law 87-706

September 27, 1962  
[H. R. 575]

## AN ACT

To authorize the Secretary of the Interior to construct, operate, and maintain the upper division of the Baker Federal reclamation project, Oregon, and for other purposes.

Baker Federal  
reclamation proj-  
ect, Oreg.  
Construction au-  
thorization.

43 USC 371 note.

Repayment peri-  
od, extension.  
53 Stat. 1193;  
72 Stat. 542.

Public recreation  
facilities.

Fish and wild-  
life conservation.

60 Stat. 1080.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purposes of providing irrigation water, controlling floods, conserving and developing fish and wildlife, and providing recreational benefits, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the facilities of the upper division of the Baker Federal reclamation project, Oregon. The principal works of the project shall consist of a dam and reservoir, pumping plants, and related facilities.

SEC. 2. (a) The period provided in subsection (d), section 9, of the Reclamation Project Act of 1939, as amended (43 U.S.C. 485h), for repayment of the construction cost properly chargeable to any block of lands and assigned to be repaid by irrigators, may be extended to fifty years, exclusive of any development period, from the time water is first delivered to that block or to as near that number of years as is consistent with the adoption and operation of a variable repayment plan as is provided therein. Costs allocated to irrigation in excess of the amount determined by the Secretary to be within the ability of the irrigators to repay, within the repayment period or periods herein specified, shall be returned to the reclamation fund within such period or periods from revenues derived by the Secretary of the Interior from the disposition of power from the McNary project facilities.

(b) Any lands in the upper division of the Baker project, Oregon, which are held in private ownership by a person whose holdings exceed the equivalent of one hundred and twenty acres of class 1 land shall, to the extent they exceed that acreage, be deemed excess lands. No water shall be furnished to such excess lands from, through, or by means of project works unless (1) the owner's total holdings do not exceed one hundred and sixty irrigable acres or (2) said owner shall have executed a valid recordable contract with respect to the excess in like manner as provided in the third sentence of section 46 of the Act of May 25, 1926 (44 Stat. 636, 649, 43 U.S.C. 423e). In computing "the equivalent of one hundred and twenty acres of class 1 land" under the first sentence of this section, each acre of class 2 land shall be counted as seventy-five one-hundredths of an acre, each acre of class 3 land shall be counted as fifty-five one-hundredths of an acre, and each acre of class 4 land shall be counted as thirty-eight one-hundredths of an acre.

SEC. 3. (a) The Secretary of the Interior is authorized, in connection with the upper division of the Baker project, to construct minimum basic public recreation facilities and to arrange for the operation and maintenance of the same by an appropriate State or local agency or organization. The cost of constructing such facilities shall be non-reimbursable and nonreturnable under the reclamation laws.

(b) The Secretary may make such reasonable provision in the works authorized by this Act as he finds to be required for the conservation and development of fish and wildlife in accordance with the provisions of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661-666c, inclusive), and the portion of the construction costs allocated to these purposes and to flood control, together with an appropriate share of the operation, maintenance, and replacement costs

therefor, shall be nonreimbursable and nonreturnable. Before the works are transferred to an irrigation water user's organization for care, operation, and maintenance, the organization shall have agreed to operate them in a manner satisfactory to the Secretary of the Interior with respect to achieving the fish and wildlife benefits, and to return the works to the United States for care, operation, and maintenance in the event of failure to comply with the requirements to achieve such benefits.

(c) The works authorized in this Act shall be operated for flood control in accordance with regulations prescribed by the Secretary of the Army pursuant to section 7 of the Flood Control Act approved September 22, 1944 (58 Stat. 887).

SEC. 4. There is hereby authorized to be appropriated for construction of the Baker Federal reclamation project the sum of \$6,168,000 (February 1962 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for operation and maintenance of the project.

Approved September 27, 1962.

33 USC 709.

Appropriation.

## Public Law 87-707

### AN ACT

September 27, 1962

[S. 319]

To amend part I of the Interstate Commerce Act in order to provide that the provisions of section 4(1) thereof, relating to long- and short-haul charges, shall not apply to express companies.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4(1) of the Interstate Commerce Act (49 U.S.C. 4(1)) is amended by inserting before the period at the end thereof a colon and the following: "And provided further, That the provisions of this paragraph shall not apply to express companies subject to the provisions of this part, except that the exemption herein accorded express companies shall not be construed to relieve them from the operation of any other provision contained in this Act".

Interstate Commerce Act, amendment.

Long- and short-haul charges, exemption.

71 Stat. 292.

Approved September 27, 1962.

## Public Law 87-708

### AN ACT

September 27, 1962

[H. R. 12727]

To amend the Act of February 28, 1901, to insure that policemen and firemen in the District of Columbia will receive medical care for all injuries and diseases.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the third sentence of paragraph (7) of the first section of the Act entitled "An Act relating to the Metropolitan Police of the District of Columbia", approved February 28, 1901, as amended (D.C. Code, sec. 4-124), is amended by inserting after "Fire Department of said District" the following: "for any injury received or disease contracted (whether or not received or contracted in the performance of duty)".

D.C. policemen and firemen. Medical care.

34 Stat. 222.

Approved September 27, 1962.



## Public Law 87-709

September 27, 1962  
[H. R. 12675]

## AN ACT

To provide for the formation of partnerships in the District of Columbia and to make uniform the law with respect thereto.

D. C.  
Uniform Part-  
nership Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act to provide for the formation of partnerships in the District of Columbia and to make uniform the law with respect thereto shall be in effect in the District of Columbia on and after the date of the enactment of this Act.

## PART I

## PRELIMINARY PROVISIONS

SECTION 1. NAME OF ACT.—This Act may be cited as the “Uniform Partnership Act”.

SEC. 2. DEFINITION OF TERMS.—In this Act, “court” includes every court and judge having jurisdiction in the case.

“Business” includes every trade, occupation, or profession.

“Person” includes individuals, partnerships, corporations, and other associations.

“Bankrupt” includes bankrupt under the Federal Bankruptcy Act or insolvent under any law of the District of Columbia.

“Conveyance” includes every assignment, lease, mortgage, or encumbrance.

“Real property” includes land and any interest or estate in land.

SEC. 3. INTERPRETATION OF KNOWLEDGE AND NOTICE.—(1) A person has “knowledge” of a fact within the meaning of this Act not only when he has actual knowledge thereof, but also when he has knowledge of such other facts as in the circumstances show bad faith.

(2) A person has “notice” of a fact within the meaning of this Act when the person who claims the benefit of the notice—

(a) states the fact to such person, or

(b) delivers through the mail, or by other means of communication, a written statement of the fact to such person or to a proper person at his place of business or residence.

SEC. 4. RULES OF CONSTRUCTION.—(1) The rule that statutes in derogation of the common law are to be strictly construed shall have no application to this Act.

(2) The law of estoppel shall apply under this Act.

(3) The law of agency shall apply under this Act.

(4) This Act shall be so interpreted and construed as to effect its general purpose to make uniform the law of those jurisdictions which enact it.

(5) This Act shall not be construed so as to impair the obligations of any contract existing when the Act goes into effect, nor to affect any action or proceedings begun or right accrued before this Act takes effect.

SEC. 5. RULES FOR CASES NOT PROVIDED FOR IN THIS ACT.—In any case not provided for in this Act the rules of law and equity, including the law merchant, shall govern.

## PART II

## NATURE OF A PARTNERSHIP

SEC. 6. PARTNERSHIP DEFINED.—(1) A partnership is an association of two or more persons to carry on as coowners a business for profit.

(2) But any association formed under any other statute of this jurisdiction, or any statute adopted by authority, other than the au-

thority of this jurisdiction is not a partnership under this Act, unless such association would have been a partnership in this jurisdiction prior to the adoption of this Act; but this Act shall apply to limited partnerships except insofar as the statutes of the District of Columbia relating to such partnerships are inconsistent herewith.

**SEC. 7. RULES FOR DETERMINING THE EXISTENCE OF A PARTNERSHIP.**—In determining whether a partnership exists, these rules shall apply:

(1) Except as provided by section 16 persons who are not partners as to each other are not partners as to third persons.

(2) Joint tenancy, tenancy in common, tenancy by the entireties, joint property, common property, or part ownership does not of itself establish a partnership, whether such co-owners do or do not share any profits made by the use of the property.

(3) The sharing of gross returns does not of itself establish a partnership, whether or not the persons sharing them have a joint or common right or interest in any property from which the returns are derived.

(4) The receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but no such inference shall be drawn if such profits were received in payment—

(a) as a debt by installments or otherwise,

(b) as wages of an employee or rent to a landlord,

(c) as an annuity to a widow or representative of a deceased partner,

(d) as interest on a loan, though the amount of payment varies with the profits of the business,

(e) as the consideration for the sale of the goodwill of a business or other property by installments or otherwise.

**SEC. 8. PARTNERSHIP PROPERTY.**—(1) All property originally brought into the partnership stock or subsequently acquired by purchase or otherwise, on account of the partnership, is partnership property.

(2) Unless the contrary intention appears, property acquired with partnership funds is partnership property.

(3) Any estate in real property may be acquired in the partnership name. Title so acquired can be conveyed only in the partnership name.

(4) A conveyance to a partnership in the partnership name, though without words of inheritance, passes the entire estate of the grantor unless a contrary intent appears.

### PART III

#### RELATIONS OF PARTNERS TO PERSONS DEALING WITH THE PARTNERSHIP

**SEC. 9. PARTNER AGENT OF PARTNERSHIP AS TO PARTNERSHIP BUSINESS.**—(1) Every partner is an agent of the partnership for the purpose of its business, and the act of every partner, including the execution in the partnership name of any instrument, for apparently carrying on in the usual way the business of the partnership of which he is a member binds the partnership, unless the partner so acting has in fact no authority to act for the partnership in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no such authority.

(2) An act of a partner which is not apparently for the carrying on of the business of the partnership in the usual way does not bind the partnership unless authorized by the other partners.

(3) Unless authorized by the other partners or unless they have abandoned the business, one or more but less than all the partners have no authority to—

- (a) assign the partnership property in trust for creditors or on the assignee's promise to pay the debts of the partnership,
- (b) dispose of the goodwill of the business,
- (c) do any other act which would make it impossible to carry on the ordinary business of a partnership,
- (d) confess a judgment,
- (e) submit a partnership claim or liability to arbitration or reference.

(4) No act of a partner in contravention of a restriction on authority shall bind the partnership to persons having knowledge of the restriction.

**SEC. 10. CONVEYANCE OF REAL PROPERTY OF THE PARTNERSHIP.—**

(1) Where title to real property is in the partnership name, any partner may convey title to such property by a conveyance executed in the partnership name; but the partnership may recover such property unless the partner's act binds the partnership under the provisions of paragraph (1) of section 9, or unless such property has been conveyed by the grantee or a person claiming through such grantee to a holder for value without knowledge that the partner, in making the conveyance, has exceeded his authority.

(2) Where title to real property is in the name of the partnership, a conveyance executed by a partner, in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of paragraph (1) of section 9.

(3) Where title to real property is in the name of one or more but not all the partners, and the record does not disclose the right of the partnership, the partners in whose name the title stands may convey title to such property, but the partnership may recover such property if the partners' act does not bind the partnership under the provisions of paragraph (1) of section 9, unless the purchaser or his assignee is a holder for value, without knowledge.

(4) Where the title to real property is in the name of one or more or all the partners, or in a third person in trust for the partnership, a conveyance executed by a partner in the partnership name, or in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of paragraph (1) of section 9.

(5) Where the title to real property is in the names of all the partners a conveyance executed by all the partners passes all their rights in such property.

**SEC. 11. PARTNERSHIP BOUND BY ADMISSION OF PARTNER.—**An admission or representation made by any partner concerning partnership affairs within the scope of his authority as conferred by this Act is evidence against the partnership.

**SEC. 12. PARTNERSHIP CHARGED WITH KNOWLEDGE OF OR NOTICE TO PARTNER.—**Notice to any partner of any matter relating to partnership affairs, and the knowledge of the partner acting in the particular matter, acquired while a partner or then present to his mind, and the knowledge of any other partner who reasonably could and should have communicated it to the acting partner, operate as notice to or knowledge of the partnership, except in the case of a fraud on the partnership committed by or with the consent of that partner.

**SEC. 13. PARTNERSHIP BOUND BY PARTNER'S WRONGFUL ACT.—**Where, by any wrongful act or omission of any partner acting in the ordinary course of the business of the partnership or with the authority of his copartners, loss or injury is caused to any person, not being a partner

in the partnership, or any penalty is incurred, the partnership is liable therefor to the same extent as the partner so acting or omitting to act.

SEC. 14. PARTNERSHIP BOUND BY PARTNER'S BREACH OF TRUST.—The partnership is bound to make good the loss:

(a) Where one partner acting within the scope of his apparent authority receives money or property of a third person and misapplies it; and

(b) Where the partnership in the course of its business receives money or property of a third person and the money or property so received is misapplied by any partner while it is in the custody of the partnership.

SEC. 15. NATURE OF PARTNER'S LIABILITY.—All partners are liable—

(a) jointly and severally for everything chargeable to the partnership under sections 13 and 14,

(b) jointly for all other debts and obligations of the partnership; but any partner may enter into a separate obligation to perform a partnership contract.

SEC. 16. PARTNER BY ESTOPPEL.—(1) When a person, by words spoken or written or by conduct, represents himself, or consents to another representing him to any one, as a partner in an existing partnership or with one or more persons not actual partners, he is liable to any such person to whom such representation has been made, who has, on the faith of such representation, given credit to the actual or apparent partnership, and if he has made such representation or consented to its being made in a public manner he is liable to such person, whether the representation has or has not been made or communicated to such person so giving credit by or with the knowledge of the apparent partner making the representation or consenting to its being made.

(a) When a partnership liability results, he is liable as though he were an actual member of the partnership.

(b) When no partnership liability results, he is liable jointly with the other persons, if any, so consenting to the contract or representation as to incur liability, otherwise separately.

(2) When a person has been thus represented to be a partner in an existing partnership, or with one or more persons not actual partners, he is an agent of the persons consenting to such representation to bind them to the same extent and in the same manner as though he were a partner in fact, with respect to persons who rely upon the representation. Where all the members of the existing partnership consent to the representation, a partnership act or obligation results; but in all other cases it is the joint act or obligation of the person acting and the persons consenting to the representation.

SEC. 17. LIABILITY OF INCOMING PARTNER.—A person admitted as a partner into an existing partnership is liable for all the obligations of the partnership arising before his admission as though he had been a partner when such obligations were incurred, except that this liability shall be satisfied only out of partnership property.

## PART IV

### RELATIONS OF PARTNERS TO ONE ANOTHER

SEC. 18. RULES DETERMINING RIGHTS AND DUTIES OF PARTNERS.—The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:

(a) Each partner shall be repaid his contributions, whether by way of capital or advances to the partnership property and share

equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied; and must contribute toward the losses, whether of capital or otherwise, sustained by the partnership according to his share in the profits.

(b) The partnership must indemnify every partner in respect of payments made and personal liabilities reasonably incurred by him in the ordinary and proper conduct of its business or for the preservation of its business or property.

(c) A partner, who in aid of the partnership makes any payment or advance beyond the amount of capital which he agreed to contribute, shall be paid interest from the date of the payment or advance.

(d) A partner shall receive interest on the capital contributed by him only from the date when repayment should be made.

(e) All partners have equal rights in the management and conduct of the partnership business.

(f) No partner is entitled to remuneration for acting in the partnership business, except that a surviving partner is entitled to reasonable compensation for his services in winding up the partnership affairs.

(g) No person can become a member of a partnership without the consent of all the partners.

(h) Any difference arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners; but no act in contravention of any agreement between the partners may be done rightfully without the consent of all the partners.

**SEC. 19. PARTNERSHIP BOOKS.**—The partnership books shall be kept, subject to any agreement between the partners, at the principal place of business of the partnership, and every partner shall at all times have access to and may inspect and copy any of them.

**SEC. 20. DUTY OF PARTNERS TO RENDER INFORMATION.**—Partners shall render on demand true and full information of all things affecting the partnership to any partner or the legal representative of any deceased partner or partner under legal disability.

**SEC. 21. PARTNER ACCOUNTABLE AS A FIDUCIARY.**—(1) Every partner must account to the partnership for any benefit, and hold as trustee for it any profits derived by him without the consent of the other partners from any transaction connected with the formation, conduct, or liquidation of the partnership or from any use by him of its property.

(2) This section applies also to the representatives of a deceased partner engaged in the liquidation of the affairs of the partnership as the personal representatives of the last surviving partner.

**SEC. 22. RIGHT TO AN ACCOUNT.**—Any partner shall have the right to a formal account as to partnership affairs—

(a) If he is wrongfully excluded from the partnership business or possession of its property by his copartners,

(b) If the right exists under the terms of any agreement,

(c) As provided by section 21,

(d) Whenever other circumstances render it just and reasonable.

**SEC. 23. CONTINUATION OF PARTNERSHIP BEYOND FIXED TERM.**—(1) When a partnership for a fixed term or particular undertaking is continued after the termination of such term or particular undertaking without any express agreement, the rights and duties of the partners remain the same as they were at such termination, so far as is consistent with a partnership at will.

(2) A continuation of the business by the partners or such of them as habitually acted therein during the term, without any settlement or liquidation of the partnership affairs, is prima facie evidence of a continuation of the partnership.

## PART V

### PROPERTY RIGHTS OF A PARTNER

SEC. 24. EXTENT OF PROPERTY RIGHTS OF A PARTNER.—The property rights of a partner are (1) his rights in specific partnership property, (2) his interest in the partnership, and (3) his right to participate in the management.

SEC. 25. NATURE OF A PARTNER'S RIGHT IN SPECIFIC PARTNERSHIP PROPERTY.—(1) A partner is coowner with his partners of specific partnership property holding as a tenant in partnership.

(2) The incidents of this tenancy are such that:

(a) A partner, subject to the provisions of this Act and to any agreement between the partners, has an equal right with his partners to possess specific partnership property for partnership purposes; but he has no right to possess such property for any other purpose without the consent of his partners.

(b) A partner's right in specific partnership property is not assignable except in connection with the assignment of rights of all the partners in the same property.

(c) A partner's right in specific partnership property is not subject to attachment or execution, except on a claim against the partnership. When partnership property is attached for a partnership debt the partners, or any of them, or the representatives of a deceased partner, cannot claim any right under the homestead or exemption laws.

(d) On the death of a partner his right in specific partnership property vests in the surviving partner or partners, except where the deceased was the last surviving partner, when his right in such property vests in his legal representative. Such surviving partner or partners, or the legal representative of the last surviving partner, has no right to possess the partnership property for any but a partnership purpose.

(e) A partner's right in specific partnership property is not subject to dower, curtesy, or allowances to widows, heirs, or next of kin.

SEC. 26. NATURE OF PARTNER'S INTEREST IN THE PARTNERSHIP.—A partner's interest in the partnership is his share of the profits and surplus, and the same is personal property.

SEC. 27. ASSIGNMENT OF PARTNER'S INTEREST.—(1) A conveyance by a partner of his interest in the partnership does not of itself dissolve the partnership, nor, as against the other partners in the absence of agreement, entitle the assignee, during the continuance of the partnership, to interfere in the management or administration of the partnership business or affairs, or to require any information or account of partnership transactions, or to inspect the partnership books; but it merely entitles the assignee to receive in accordance with his contract the profits to which the assigning partner would otherwise be entitled.

(2) In case of a dissolution of the partnership, the assignee is entitled to receive his assignor's interest and may require an account from the date only of the last account agreed to by all the partners.

SEC. 28. PARTNER'S INTEREST SUBJECT TO CHARGING ORDER.—(1) On due application to a competent court by any judgment creditor of a partner, the court which entered the judgment, order, or decree,

or any other court, may charge the interest of the debtor partner with payment of the unsatisfied amount of such judgment debt with interest thereon; and may then or later appoint a receiver of his share of the profits, and of any other money due or to fall due to him in respect of the partnership, and make all other orders, directions, accounts, and inquiries which the debtor partner might have made, or which the circumstances of the case may require.

(2) The interest charged may be redeemed at any time before foreclosure, or in case of a sale being directed by the court may be purchased without thereby causing a dissolution:

(a) With separate property, by any one or more of the partners, or

(b) With partnership property, by any one or more of the partners with the consent of all the partners whose interests are not so charged or sold.

(3) Nothing in this Act shall be held to deprive a partner of his right, if any, under the exemption laws, as regards his interest in the partnership.

## PART VI

### DISSOLUTION AND WINDING UP

SEC. 29. DISSOLUTION DEFINED.—The dissolution of a partnership is the change in the relation of the partners caused by any partner ceasing to be associated in the carrying on as distinguished from the winding up of the business.

SEC. 30. PARTNERSHIP NOT TERMINATED BY DISSOLUTION.—On dissolution the partnership is not terminated, but continues until the winding up of partnership affairs is completed.

SEC. 31. CAUSES OF DISSOLUTION.—Dissolution is caused: (1) Without violation of the agreement between the partners—

(a) by the termination of the definite term or particular undertaking specified in the agreement,

(b) by the express will of any partner when no definite term or particular undertaking is specified,

(c) by the express will of all the partners who have not assigned their interests or suffered them to be charged for their separate debts, either before or after the termination of any specified term or particular undertaking,

(d) by the expulsion of any partner from the business bona fide in accordance with such a power conferred by the agreement between the partners;

(2) In contravention of the agreement between the partners, where the circumstances do not permit a dissolution under any other provision of this section, by the express will of any partner at any time;

(3) By any event which makes it unlawful for the business of the partnership to be carried on or for the members to carry it on in partnership;

(4) By the death of any partner;

(5) By the bankruptcy of any partner or the partnership;

(6) By decree of court under section 32.

SEC. 32. DISSOLUTION BY DECREE OF COURT.—(1) On application by or for a partner the court shall decree a dissolution whenever—

(a) a partner has been declared a lunatic in any judicial proceeding or is shown to be of unsound mind,

(b) a partner becomes in any other way incapable of performing his part of the partnership contract,

(c) a partner has been guilty of such conduct as tends to affect prejudicially the carrying on of the business.

(d) a partner wilfully or persistently commits a breach of the partnership agreement, or otherwise so conducts himself in matters relating to the partnership business that it is not reasonably practicable to carry on the business in partnership with him,

(e) the business of the partnership can only be carried on at a loss,

(f) other circumstances render a dissolution equitable.

(2) On the application of the purchaser of a partner's interest under sections 27 and 28—

(a) after the termination of the specified term or particular undertaking,

(b) at any time if the partnership was a partnership at will when the interest was assigned or when the charging order was issued.

**SEC. 33. GENERAL EFFECT OF DISSOLUTION ON AUTHORITY OF PARTNER.**—Except so far as may be necessary to wind up partnership affairs or to complete transactions begun but not then finished, dissolution terminates all authority of any partner to act for the partnership—

(1) with respect to the partners—

(a) when the dissolution is not by the act, bankruptcy or death of a partner; or

(b) when the dissolution is by such act, bankruptcy or death of a partner, in cases where section 34 so requires;

(2) with respect to persons not partners, as declared in section 35.

**SEC. 34. RIGHT OF PARTNER TO CONTRIBUTION FROM COPARTNERS AFTER DISSOLUTION.**—Where the dissolution is caused by the act, death, or bankruptcy of a partner, each partner is liable to his copartners for his share of any liability created by any partner acting for the partnership as if the partnership had not been dissolved unless—

(a) the dissolution being by act of any partner, the partner acting for the partnership had knowledge of the dissolution, or

(b) the dissolution being by the death or bankruptcy of a partner, the partner acting for the partnership had knowledge or notice of the death or bankruptcy.

**SEC. 35. POWER OF PARTNER TO BIND PARTNERSHIP TO THIRD PERSONS AFTER DISSOLUTION.**—(1) After dissolution a partner can bind the partnership except as provided in paragraph (3)—

(a) by any act appropriate for winding up partnership affairs or completing transactions unfinished at dissolution;

(b) by any transaction which would bind the partnership if dissolution had not taken place, provided the other party to the transaction,

(I) had extended credit to the partnership prior to dissolution and had no knowledge or notice of the dissolution; or

(II) though he had not so extended credit, had nevertheless known of the partnership prior to dissolution, and, having no knowledge or notice of dissolution, the fact of dissolution had not been advertised in a newspaper of general circulation in the place (or in each place if more than one) at which the partnership business was regularly carried on.

(2) The liability of a partner under paragraph (1)(b) shall be satisfied out of partnership assets alone when such partner has been prior to dissolution—

(a) unknown as a partner to the person with whom the contract is made; and

(b) so far unknown and inactive in partnership affairs that the business reputation of the partnership could not be said to have been in any degree due to his connection with it.



(3) The partnership is in no case bound by any act of a partner after dissolution—

(a) where the partnership is dissolved because it is unlawful to carry on the business, unless the act is appropriate for winding up partnership affairs; or

(b) where the partner has become bankrupt; or

(c) where the partner has no authority to wind up partnership affairs; except by a transaction with one who,

(I) had extended credit to the partnership prior to dissolution and had no knowledge or notice of his want of authority; or

(II) had not extended credit to the partnership prior to dissolution, and, having no knowledge or notice of his want of authority, the fact of his want of authority had not been advertised in the manner provided for advertising the fact of dissolution in paragraph (1) (b) (II).

(4) Nothing in this section shall affect the liability under section 16 of any person who after dissolution represents himself or consents to another representing him as a partner in a partnership engaged in carrying on business.

**SEC. 63. EFFECT OF DISSOLUTION ON PARTNER'S EXISTING LIABILITY.—**

(1) The dissolution of the partnership does not of itself discharge the existing liability of any partner.

(2) A partner is discharged from any existing liability upon dissolution of the partnership by an agreement to that effect between himself, the partnership creditor and the person or partnership continuing the business; and such agreement may be inferred from the course of dealing between the creditor having knowledge of the dissolution and the person or partnership continuing the business.

(3) Where a person agrees to assume the existing obligations of a dissolved partnership, the partners whose obligations have been assumed shall be discharged from any liability to any creditor of the partnership who, knowing of the agreement, consents to a material alteration in the nature or time of payment of such obligations.

(4) The individual property of a deceased partner shall be liable for all obligations of the partnership incurred while he was a partner but subject to the prior payment of his separate debts.

**SEC. 37. RIGHT TO WIND UP.—**Unless otherwise agreed the partners who have not wrongfully dissolved the partnership or the legal representative of the last surviving partner, not bankrupt, has the right to wind up the partnership affairs: *Provided, however,* That any partner, his legal representative or his assignee, upon cause shown, may obtain winding up by the court.

**SEC. 38. RIGHTS OF PARTNERS TO APPLICATION OF PARTNERSHIP PROPERTY.—**(1) When dissolution is caused in any way, except in contravention of the partnership agreement, each partner, as against his copartner and all persons claiming through them in respect of their interests in the partnership, unless otherwise agreed, may have the partnership property applied to discharge its liabilities, and the surplus applied to pay in cash the net amount owing to the respective partners. But if dissolution is caused by expulsion of a partner bona fide under the partnership agreement and if the expelled partner is discharged from all partnership liabilities, either by payment or agreement under section 36(2), he shall receive in cash only the net amount due him from the partnership.

(2) When dissolution is caused in contravention of the partnership agreement the rights of the partners shall be as follows:

(a) Each partner who has not caused dissolution wrongfully shall have—

(I) all the rights specified in paragraph (1) of this section, and

(II) the right, as against each partner who has caused the dissolution wrongfully, to damages for breach of the agreement.

(b) The partners who have not caused the dissolution wrongfully, if they all desire to continue the business in the same name, either by themselves or jointly with others, may do so, during the agreed term for the partnership and for that purpose may possess the partnership property, provided they secure the payment by bond approved by the court, or pay to any partner who has caused the dissolution wrongfully, the value of his interest in the partnership at the dissolution, less any damages recoverable under clause (2)(a)(II) of this section, and in like manner indemnify him against all present or future partnership liabilities.

(c) A partner who has caused the dissolution wrongfully shall have—

(I) if the business is not continued under the provisions of paragraph (2)(b) all the rights of a partner under paragraph (1), subject to clause (2)(a)(II) of this section,

(II) if the business is continued under paragraph (2)(b) of this section, the right as against his copartners and all claiming through them in respect of their interests in the partnership to have the value of his interest in the partnership, less any damages caused to his copartners by the dissolution, ascertained and paid to him in cash, or the payment secured by bond approved by the court, and to be released from all existing liabilities of the partnership; but in ascertaining the value of the partner's interest the value of the goodwill of the business shall not be considered.

**SEC. 39. RIGHTS WHERE PARTNERSHIP IS DISSOLVED FOR FRAUD OR MISREPRESENTATION.**—Where a partnership contract is rescinded on the ground of the fraud or misrepresentation of one of the parties thereto, the party entitled to rescind is, without prejudice to any other right, entitled—

(a) To a lien on, or right of retention of, the surplus of the partnership property after satisfying the partnership liabilities to third persons for any sum of money paid by him for the purchase of an interest in the partnership and for any capital or advances contributed by him; and

(b) To stand, after all liabilities to third persons have been satisfied, in the place of the creditors of the partnership for any payments made by him in respect of the partnership liabilities; and

(c) To be indemnified by the person guilty of the fraud or making the representation against all debts and liabilities of the partnership.

SEC. 40. RULES FOR DISTRIBUTION.—In settling accounts between the partners after dissolution, the following rules shall be observed, subject to any agreement to the contrary:

- (a) The assets of the partnership are—
  - (I) the partnership property,
  - (II) the contributions of the partners necessary for the payment of all the liabilities specified in clause (b) of this paragraph.
- (b) The liabilities of the partnership shall rank in order of payment, as follows:
  - (I) Those owing to creditors other than partners,
  - (II) Those owing to partners other than for capital and profits,
  - (III) Those owing to partners in respect of capital,
  - (IV) Those owing to partners in respect of profits.
- (c) The assets shall be applied in the order of their declaration in clause (a) of this paragraph to the satisfaction of the liabilities.
- (d) The partners shall contribute, as provided by section 18(a), the amount necessary to satisfy the liabilities; but if any, but not all, of the partners are insolvent, or, not being subject to process, refuse to contribute, the other partners shall contribute their share of the liabilities, and, in the relative proportions in which they share the profits, the additional amount necessary to pay the liabilities.
- (e) An assignee for the benefit of creditors or any person appointed by the court shall have the right to enforce the contributions specified in clause (d) of this paragraph.
- (f) Any partner or his legal representative shall have the right to enforce the contributions specified in clause (d) of this paragraph, to the extent of the amount which he has paid in excess of his share of the liability.
- (g) The individual property of a deceased partner shall be liable for the contributions specified in clause (d) of this paragraph.
- (h) When partnership property and the individual properties of the partners are in possession of a court for distribution, partnership creditors shall have priority on partnership property and separate creditors on individual property, saving the rights of lien or secured creditors as heretofore.
- (i) Where a partner has become bankrupt or his estate is insolvent the claims against his separate property shall rank in the following order:
  - (I) Those owing to separate creditors,
  - (II) Those owing to partnership creditors,
  - (III) Those owing to partners by way of contribution.

SEC. 41. LIABILITY OF PERSONS CONTINUING THE BUSINESS IN CERTAIN CASES.—(1) When any new partner is admitted into an existing partnership, or when any partner retires and assigns (or the representative of the deceased partner assigns) his rights in partnership property to two or more of the partners, or to one or more of the partners and one or more third persons, if the business is continued without liquidation of the partnership affairs, creditors of the first or dissolved partnership are also creditors of the partnership so continuing the business.

(2) When all but one partner retire and assign (or the representative of a deceased partner assigns) their rights in partnership property to the remaining partner, who continues the business without liquidation of partnership affairs, either alone or with others, creditors of the dissolved partnership are also creditors of the person or partnership so continuing the business.

(3) When any partner retires or dies and the business of the dissolved partnership is continued as set forth in paragraphs (1) and (2) of this section, with the consent of the retired partners or the representative of the deceased partner, but without any assignment of his right in partnership property, rights of creditors of the dissolved partnership and of the creditors of the person or partnership continuing the business shall be as if such assignment had been made.

(4) When all the partners or their representatives assign their rights in partnership property to one or more third persons who promise to pay the debts and who continue the business of the dissolved partnership, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(5) When any partner wrongfully causes a dissolution and the remaining partners continue the business under the provisions of section 38(2) (b), either alone or with others, and without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(6) When a partner is expelled and the remaining partners continue the business either alone or with others, without liquidation of the partnership affairs, creditors of the dissolved partnership are also creditors of the person or partnership continuing the business.

(7) The liability of a third person becoming a partner in the partnership continuing the business, under this section, to the creditors of the dissolved partnership shall be satisfied out of partnership property only.

(8) When the business of a partnership after dissolution is continued under any conditions set forth in this section, the creditors of the dissolved partnership, as against the separate creditors of the retiring or deceased partner or the representative of the deceased partner, have a prior right to any claim of the retired partner or the representative of the deceased partner against the person or partnership continuing the business on account of the retired or deceased partner's interest in the dissolved partnership or on account of any consideration promised for such interest or for his right in partnership property.

(9) Nothing in this section shall be held to modify any right of creditors to set aside any assignment on the ground of fraud.

(10) The use by the person or partnership continuing the business of the partnership name, or the name of a deceased partner as part thereof, shall not of itself make the individual property of the deceased partner liable for any debts contracted by such person or partnership.

**SEC. 42. RIGHTS OF RETIRING OR ESTATE OF DECEASED PARTNER WHEN THE BUSINESS IS CONTINUED.**—When any partner retires or dies, and the business is continued under any of the conditions set forth in section 41 (1), (2), (3), (5), (6), or section 38(2) (b), without any settlement of accounts as between him or his estate and the person or partnership continuing the business, unless otherwise agreed, he or his legal representative, as against such persons or partnership, may have the value of his interest at the date of dissolution ascertained, and

shall receive as an ordinary creditor an amount equal to the value of his interest in the dissolved partnership with interest, or, at his option or at the option of his legal representative, in lieu of interest, the profits attributable to the use of his right in the property of the dissolved partnership; provided that the creditors, or the representative of the retired or deceased creditors of the dissolved partnership as against the separate partner, shall have priority on any claim arising under this section, as provided by section 41(8) of this Act.

SEC. 43. ACCRUAL OF RIGHT TO ACCOUNT.—The right to an account of his interest shall accrue to any partner, or his legal representative, as against the winding up partners or the surviving partners or the person or partnership continuing the business, at the date of dissolution, in the absence of any agreement to the contrary.

Approved September 27, 1962.

## Public Law 87-710

### AN ACT

September 27, 1962  
[H. R. 12526]

To amend section 172 of the Internal Revenue Code of 1954 to provide a seven-year net operating loss carryover for certain regulated transportation corporations.

Taxes.  
Operating loss  
carryovers.  
72 Stat. 1678.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subsection (b) of section 172 of the Internal Revenue Code of 1954 (relating to net operating loss deduction) is amended to read as follows:

“(b) NET OPERATING LOSS CARRYBACKS AND CARRYOVERS.—

“(1) YEARS TO WHICH LOSS MAY BE CARRIED.—A net operating loss for any taxable year—

“(A) ending after December 31, 1957, shall be a net operating loss carryback to each of the 3 taxable years preceding the taxable year of the loss, and

“(B) ending after December 31, 1955, shall (except as provided in subparagraph (C)) be a net operating loss carryover to each of the 5 taxable years following the taxable year of such loss, or

“(C) ending after December 31, 1955, in the case of a taxpayer which is a regulated transportation corporation (as defined in subsection (j)(1)), shall (except as provided in subsection (j)) be a net operating loss carryover to each of the 7 taxable years following the taxable year of such loss.

“(2) AMOUNT OF CARRYBACKS AND CARRYOVERS.—Except as provided in subsections (i) and (j), the entire amount of the net operating loss for any taxable year (hereinafter in this section referred to as the ‘loss year’) shall be carried to the earliest of the taxable years to which (by reason of paragraph (1)) such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable income for each of the prior taxable years to which such loss may be carried. For purposes of the preceding sentence, the taxable income for any such prior taxable years shall be computed—

“(A) with the modifications specified in subsection (d) other than paragraphs (1), (4), and (6) thereof; and

“(B) by determining the amount of the net operating loss deduction without regard to the net operating loss for the loss year or for any taxable year thereafter, and the taxable income so computed shall not be considered to be less than zero.”

“Loss year.”

(b) Section 172 of such Code is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection: 72 Stat. 1678.

**“(j) CARRYOVER OF NET OPERATING LOSS FOR CERTAIN REGULATED TRANSPORTATION CORPORATIONS.—**

“(1) **DEFINITION.**—For purposes of subsection (b) (1) (C), the term ‘regulated transportation corporation’ means a corporation— <sup>Supra.</sup> “Regulated transportation corporation.”

“(A) 80 percent or more of the gross income of which (computed without regard to dividends and capital gains and losses) for the taxable year is derived from the furnishing or sale of transportation described in subparagraph (A), (C) (i), (E), or (F) of section 1503(c) (1) and taken into account for purposes of section 1503(c) (2),

68A Stat. 368.

“(B) which is described in section 1503(c) (3), or

“(C) which is a member of a regulated transportation system.

“(2) **REGULATED TRANSPORTATION SYSTEM.**—For purposes of this subsection, a corporation shall be treated as a member of a regulated transportation system for a taxable year if—

“(A) it is a member of an affiliated group of corporations making a consolidated return for such taxable year, and

“(B) 80 percent or more of the aggregate gross income of the members of such affiliated group (computed without regard to dividends and capital gains and losses) for such taxable year is derived from sources described in paragraph (1) (A).

For purposes of subparagraph (B), income derived by a corporation described in section 1503(c) (3) from leases described in subparagraph (A) thereof shall be considered as derived from sources described in paragraph (1) (A).

“(3) **LIMITATION.**—For purposes of subsection (b) (1) (C)—

“(A) a net operating loss may not be a net operating loss carryover to the 6th taxable year following the loss year unless the taxpayer is a regulated transportation corporation for such 6th taxable year; and

“(B) a net operating loss may not be a net operating loss carryover to the 7th taxable year following the loss year unless the taxpayer is a regulated transportation corporation for the 6th taxable year following the loss year and for such 7th taxable year.

“(4) **TAXABLE YEARS BEGINNING IN 1955 AND ENDING IN 1956.**—In the case of a net operating loss for a taxable year beginning in 1955 and ending in 1956, the amount of such loss which may be carried—

“(A) to the 6th taxable year following the loss year shall be the amount which bears the same ratio to the amount which (but for this paragraph) would be carried to such 6th taxable year as the number of days in the loss year after December 31, 1955, bears to the total number of days in the loss year, and

“(B) to the 7th taxable year following the loss year shall be the amount (if any) by which (i) the amount carried to the 6th taxable year (determined under subparagraph (A)), exceeds (ii) the taxable income (computed as provided in subsection (b) (2)) for such 6th taxable year.”

**SEC. 2.** The amendments made by the first section of this Act shall apply only with respect to net operating losses for taxable years ending after December 31, 1955.

Approved September 27, 1962.

## Public Law 87-711

September 27, 1962  
[S. 3154]

## AN ACT

To amend Public Law 86-184, an Act to provide for the striking of medals in commemoration of the one hundredth anniversary of the admission of West Virginia into the Union as a State.

West Virginia.  
Centennial  
medals.  
73 Stat. 417.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Public Law 86-184 is hereby amended by striking out, in section 1, line 7, the words "not more than two hundred thousand silver medals" and inserting in lieu thereof "not more than twenty platinum medals, twenty thousand silver medals, and seven hundred and fifty thousand bronze medals."

SEC. 2. Public Law 86-184 is further amended by striking out, in section 2(b), line 2, the words "in silver".

Approved September 27, 1962.

## Public Law 87-712

September 28, 1962  
[S. 4]

## AN ACT

To provide for the establishment of the Padre Island National Seashore.

Padre Island  
National Sea-  
shore, Tex.  
Establishment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to save and preserve, for purposes of public recreation, benefit, and inspiration, a portion of the diminishing seashore of the United States that remains undeveloped, the Secretary of the Interior shall take appropriate action in the public interest toward the establishment of the following described lands and waters as the Padre Island National Seashore: Beginning at a point one statute mile northerly of North Bird Island on the easterly line of the Intracoastal Waterway; thence due east to a point on Padre Island one statute mile west of the mean high water line of the Gulf of Mexico; thence southwesterly paralleling the said mean high water line of the Gulf of Mexico a distance of about three and five-tenths statute miles; thence due east to the two-fathom line on the east side of Padre Island as depicted on United States Coast and Geodetic Survey chart numbered 1286; thence along the said two-fathom line on the east side of Padre Island as depicted on United States Coast and Geodetic Survey charts numbered 1286, 1287, and 1288 to the Willacy-Cameron County line extended; thence westerly along said county line to a point 1,500 feet west of the mean high water line of the Gulf of Mexico as that line was determined by the survey of J. S. Boyles and is depicted on sections 9 and 10 of the map entitled "Survey of Padre Island made for the office of the Attorney General of the State of Texas", dated August 7 to 11, 1941, and August 11, 13, and 14, 1941, respectively; thence northerly along a line parallel to said survey line of J. S. Boyles and distant therefrom 1,500 feet west to a point on the centerline of the Port Mansfield Channel; thence westerly along said centerline to a point three statute miles west of the said two-fathom line; thence northerly parallel with said two-fathom line to 27 degrees 20 minutes north latitude; thence westerly along said latitude to the easterly line of the Intracoastal Waterway; thence northerly following the easterly line of the Intracoastal Waterway as indicated by channel markers in the Laguna Madre to the point of beginning.

Acquisition of  
land, etc.

SEC. 2. (a) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire by donation, purchase with

donated or appropriated funds, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon and any interest therein, within the areas described in the first section of this Act or which lie within the boundaries of the seashore as established under section 3 of this Act (hereinafter referred to as "such area"). Any property, or interest therein, owned by the State of Texas or political subdivision thereof may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(b) The Secretary is authorized to pay for any acquisitions which he makes by purchase under this Act their fair market value, as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

(c) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within such area. The properties so exchanged shall be approximately equal in fair market value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

SEC. 3. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in the area described in section 1 of this Act, that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish the area as a national seashore by the publication of notice thereof in the Federal Register.

Notice.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 1 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the State and to the governing body of each of the political subdivisions involved; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each of the localities; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for the county involved.

Publication in  
F. R.

Circulation.

SEC. 4. (a) When acquiring land, waters, or interests therein, the Secretary shall permit a reservation by the grantor of all or any part of the oil and gas minerals in such land or waters and of other minerals therein which can be removed by similar means, with the right of occupation and use of so much of the surface of the land or waters as may be required for all purposes reasonably incident to the mining or removal of such from beneath the surface of these lands and waters and the lands and waters adjacent thereto, under such regulations as may be prescribed by the Secretary with respect to such mining or removal.

Mineral reser-  
vation.

(b) Any acquisition hereunder shall exclude and shall not diminish any right of occupation or use of the surface under grants, leases, or easements existing on April 11, 1961, which are reasonably necessary for the exploration, development, production, storing, processing, or transporting of oil and gas minerals that are removed from outside the boundaries of the national seashore and the Secretary may grant



additional rights of occupation or use of the surface for the purposes aforesaid upon the terms and under such regulations as may be prescribed by him.

Administration.

16 USC 1.

SEC. 5. Except as otherwise provided in this Act, the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with other laws of general application relating to the areas administered and supervised by the Secretary through the National Park Service; except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

Roadways.

SEC. 6. The Secretary may provide for roadways from the north and south boundaries of such public recreation area to the access highways from the mainland to Padre Island.

Gunnery or  
bombing ranges.

SEC. 7. The Secretary of the Interior shall enter into such administrative agreements with the Secretary of the Navy as the Secretary of the Navy may deem necessary to assure that the Secretary of the Interior will not exercise any authority granted by this Act so as to interfere with the use by the Department of the Navy of any aerial gunnery or bombing range located in the vicinity of Padre Island.

Appropriation.

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act; except that no more than \$5,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

Approved September 28, 1962, 12:40 p.m.

## Public Law 87-713

### AN ACT

September 28, 1962  
[H. R. 10540]

To exclude deposits of petrified wood from appropriation under the United States mining laws.

Petrified wood.  
Sale.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3 of the Act of July 23, 1955 (69 Stat. 368; 30 U.S.C. 611), is amended to read: "No deposit of common varieties of sand, stone, gravel, pumice, pumice, or cinders and no deposit of petrified wood shall be deemed a valuable mineral deposit within the meaning of the mining laws of the United States so as to give effective validity to any mining claim hereafter located under such mining laws: *Provided, however,* That nothing herein shall affect the validity of any mining location based upon discovery of some other mineral occurring in or in association with such a deposit. 'Common varieties' as used in this Act does not include deposits of such materials which are valuable because the deposit has some property giving it distinct and special value and does not include so-called 'block pumice' which occurs in nature in pieces having one dimension of two inches or more. 'Petrified wood' as used in this Act means agatized, opalized, petrified, or silicified wood, or any material formed by the replacement of wood by silica or other matter."

Definition.

SEC. 2. The Secretary of the Interior shall provide by regulation that limited quantities of petrified wood may be removed without charge from those public lands which he shall specify.

Approved September 28, 1962.

## Public Law 87-714

## AN ACT

September 28, 1962  
[H. R. 1171]

To assure continued fish and wildlife benefits from the national fish and wildlife conservation areas by authorizing their appropriate incidental or secondary use for public recreation to the extent that such use is compatible with the primary purposes of such areas, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in recognition of mounting public demands for recreational opportunities on national wildlife refuges, game ranges, national fish hatcheries, and other conservation areas administered by the Secretary of the Interior for fish and wildlife purposes; and in recognition also of the resulting imperative need, if such recreational opportunities are provided, to assure that any present or future recreational use will be compatible with, and will not prevent accomplishment of, the primary purposes for which the said conservation areas were acquired or established, the Secretary of the Interior is authorized, as an appropriate incidental or secondary use, to administer such areas or parts thereof for public recreation when in his judgment public recreation can be an appropriate incidental or secondary use: *Provided*, That such public recreation use shall be permitted only to the extent that is practicable and not inconsistent with other previously authorized Federal operations or with the primary objectives for which each particular area is established: *Provided further*, That in order to insure accomplishment of such primary objectives, the Secretary, after consideration of all authorized uses, purposes, and other pertinent factors relating to individual areas, shall curtail public recreation use generally or certain types of public recreation use within individual areas or in portions thereof whenever he considers such action to be necessary: *And provided further*, That none of the aforesaid refuges, hatcheries, game ranges, and other conservation areas shall be used during any fiscal year for those forms of recreation that are not directly related to the primary purposes and functions of the individual areas until the Secretary shall have determined—

Interior Dept.  
National fish  
and wildlife  
areas, public  
recreational use.

(a) that such recreational use will not interfere with the primary purposes for which the areas were established, and

(b) that funds are available for the development, operation, and maintenance of these permitted forms of recreation. This section shall not be construed to repeal or amend previous enactments relating to particular areas.

SEC. 2. In order to avoid adverse effects upon fish and wildlife populations and management operations of the said areas that might otherwise result from public recreation or visitation to such areas, the Secretary is authorized to acquire limited areas of land for recreational development adjacent to the said conservation areas in existence or approved by the Migratory Bird Conservation Commission as of the date of enactment of this Act: *Provided*, That the acquisition of any land or interest therein pursuant to this section shall be accomplished only with such funds as may be appropriated therefor by the Congress or donated for such purposes, but such property shall not be acquired with funds obtained from the sale of Federal migratory bird hunting stamps. Lands acquired pursuant to this section shall become a part of the particular conservation area to which they are adjacent.

Land acquisition.

SEC. 3. In furtherance of the purposes of this Act, the Secretary is authorized to cooperate with public and private agencies, organizations, and individuals, and he may accept and use, without further

Acceptance of  
funds, etc.

authorization, donations of funds and real and personal property. Such acceptance may be accomplished under the terms and conditions of restrictive covenants imposed by donors when such covenants are deemed by the Secretary to be compatible with the purposes of the wildlife refuges, game ranges, fish hatcheries, and other fish and wildlife conservation areas.

SEC. 4. The Secretary may establish reasonable charges and fees and issue permits for public use of national wildlife refuges, game ranges, national fish hatcheries, and other conservation areas administered by the Department of the Interior for fish and wildlife purposes. The Secretary may issue regulations to carry out the purposes of this Act. A violation of such regulations shall be a petty offense (18 U.S.C. 1) with maximum penalties of imprisonment for not more than six months, or a fine of not more than \$500, or both.

SEC. 5. There is authorized to be appropriated such funds as may be necessary to carry out the purposes of this Act, including the construction and maintenance of public recreational facilities.

Approved September 28, 1962.

Regulations.

Penalties.

62 Stat. 684.

Appropriation.

## Public Law 87-715

### AN ACT

September 28, 1962  
[S. 2511]

To provide for the production and distribution of educational and training films for use by deaf persons, and for other purposes.

Deaf persons.  
Educational  
films, produc-  
tion and distri-  
bution.  
42 USC 2491.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) the first section of the Act entitled "An Act to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf", approved September 2, 1958 (72 Stat. 1742), is amended to read as follows:

"That the objectives of this Act are—

"(a) to promote the general welfare of deaf persons by (1) bringing to such persons understanding and appreciation of those films which play such an important part in the general and cultural advancement of hearing persons, (2) providing, through these films, enriched educational and cultural experiences through which deaf persons can be brought into better touch with the realities of their environment, and (3) providing a wholesome and rewarding experience which deaf persons may share together; and

"(b) to promote the educational advancement of deaf persons by (1) carrying on research in the use of educational and training films for the deaf, (2) producing and distributing educational and training films for the deaf, and (3) training persons in the use of films for the deaf."

42 USC 2493.

(b) Paragraphs (4), (5), and (6) of section 3(b) of such Act are redesignated as paragraphs (5), (6), and (7), respectively, and there is inserted after paragraph (3) the following:

"(4) provide for the conduct of research in the use of educational and training films for the deaf, for the production and distribution of training films for the deaf, and for the training of persons in the use of films for the deaf."

42 USC 2494.

(c) Section 4 of such Act is amended by striking out "\$250,000" and inserting in lieu thereof "\$1,500,000".

Approved September 28, 1962.

## Public Law 87-716

## AN ACT

September 28, 1962  
[H. R. 11019]

To provide that the Uniform Limited Partnership Act shall apply in the District of Columbia.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act to provide for the formation of limited partnerships in the District of Columbia and to make uniform the law with respect thereto, shall be in effect in the District of Columbia on and after the date of the enactment of this Act.

D. C.  
Uniform Limited  
Partnership Act.

## LIMITED PARTNERSHIP DEFINED

SECTION 1. A limited partnership is a partnership formed by two or more persons under the provisions of section 2, having as members one or more general partners and one or more limited partners. The limited partners as such shall not be bound by the obligations of the partnership.

## FORMATION

SEC. 2. (1) Two or more persons desiring to form a limited partnership shall—

(a) sign and swear to a certificate, which shall state—

- I. the name of the partnership,
- II. the character of the business,
- III. the location of the principal place of business,
- IV. the name and place of residence of each member; general and limited partners being respectively designated,
- V. the term for which the partnership is to exist,
- VI. the amount of cash and a description of and the agreed value of the other property contributed by each limited partner,
- VII. the additional contributions, if any, agreed to be made by each limited partner and the times at which or events on the happening of which they shall be made,
- VIII. the time, if agreed upon, when the contribution of each limited partner is to be returned,
- IX. the share of the profits or the other compensation by way of income which each limited partner shall receive by reason of his contribution,
- X. the right, if given, of a limited partner to substitute an assignee as contributor in his place, and the terms and conditions of the substitution,
- XI. the right, if given, of the partners to admit additional limited partners,
- XII. the right, if given, of one or more of the limited partners to priority over other limited partners, as to contributions or as to compensation by way of income, and the nature of such priority,
- XIII. the right, if given, of the remaining general partner or partners to continue the business on the death, retirement, or insanity of a general partner, and
- XIV. the right, if given, of a limited partner to demand and receive property other than cash in return for his contribution;

(b) file for record the certificate in the Office of the Recorder of Deeds of the District of Columbia.

(2) A limited partnership is formed if there has been substantial compliance in good faith with the requirements of paragraph (1).

## BUSINESS WHICH MAY BE CARRIED ON

SEC. 3. A limited partnership may carry on any business which a partnership without limited partners may carry on.

## CHARACTER OF LIMITED PARTNER'S CONTRIBUTION

SEC. 4. The contributions of a limited partner may be cash or other property, but not services.

## A NAME NOT TO CONTAIN SURNAME OF LIMITED PARTNER; EXCEPTIONS

SEC. 5. (1) The surname of a limited partner shall not appear in the partnership name, unless—

- (a) it is also the surname of a general partner, or
- (b) prior to the time when the limited partner became such the business had been carried on under a name in which his surname appeared.

(2) A limited partner whose name appears in a partnership name contrary to the provisions of paragraph (1) is liable as a general partner to partnership creditors who extend credit to the partnership without actual knowledge that he is not a general partner.

## LIABILITY FOR FALSE STATEMENTS IN CERTIFICATE

SEC. 6. If the certificate contains a false statement, one who suffers loss by reliance on such statement may hold liable any party to the certificate who knew the statement to be false—

- (a) at the time he signed the certificate, or
- (b) subsequently, but within a sufficient time before the statement was relied upon to enable him to cancel or amend the certificate, or to file a petition for its cancellation or amendment as provided in section 25(3).

## LIMITED PARTNER NOT LIABLE TO CREDITORS

SEC. 7. A limited partner shall not become liable as a general partner unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business.

## ADMISSION OF ADDITIONAL LIMITED PARTNERS

SEC. 8. After the formation of a limited partnership, additional limited partners may be admitted upon filing an amendment to the original certificate in accordance with the requirements of section 25.

## RIGHTS, POWERS, AND LIABILITIES OF A GENERAL PARTNER

SEC. 9. (1) A general partner shall have all the rights and powers and be subject to all the restrictions and liabilities of a partner in a partnership without limited partners, except that without the written consent or ratification of the specific act by all the limited partners, a general partner or all of the general partners have no authority to—

- (a) do any act in contravention of the certificate,
- (b) do any act which would make it impossible to carry on the ordinary business of the partnership,
- (c) confess a judgment against the partnership,
- (d) possess partnership property, or assign their rights in specific partnership property, for other than a partnership purpose,
- (e) admit a person as a general partner,

- (f) admit a person as a limited partner, unless the right so to do is given in the certificate,
- (g) continue the business with partnership property on the death, retirement, or insanity of a general partner, unless the right so to do is given in the certificate.

#### RIGHTS OF A LIMITED PARTNER

SEC. 10. (1) A limited partner shall have the same rights as a general partner to—

- (a) have the partnership books kept at a principal place of business of the partnership, and at all times to inspect and copy any of them,
  - (b) have on demand true and full information of all things affecting the partnership, and a formal account of partnership affairs whenever circumstances render it just and reasonable, and
  - (c) have dissolution and winding up by decree of court.
- (2) A limited partner shall have the right to receive a share of the profits or other compensation by way of income, and to the return of his contribution as provided in sections 15 and 16.

#### STATUS OF PERSON ERRONEOUSLY BELIEVING HIMSELF A LIMITED PARTNER

SEC. 11. A person who has contributed to the capital of a business conducted by a person or partnership erroneously believing that he has become a limited partner in a limited partnership is not, by reason of this exercise of the rights of a limited partner, a general partner with the person or in the partnership carrying on the business, or bound by the obligations of such person or partnership: *Provided*, That on ascertaining the mistake he promptly renounces his interest in the profits of the business, or other compensation by way of income.

#### ONE PERSON BOTH GENERAL AND LIMITED PARTNER

SEC. 12. (1) A person may be a general partner and a limited partner in the same partnership at the same time.

(2) A person who is a general, and also at the same time a limited, partner shall have all the rights and powers and be subject to all the restrictions of a general partner, except that, in respect to his contribution, he shall have the rights against the other members which he would have had if he were not also a general partner.

#### LOANS AND OTHER BUSINESS TRANSACTIONS WITH LIMITED PARTNER

SEC. 13. (1) A limited partner also may loan money to and transact other business with the partnership, and, unless he is also a general partner, receive on account of resulting claims against the partnership, with general creditors, a pro rata share of the assets. No limited partner shall in respect to any such claim—

- (a) receive or hold as collateral security any partnership property, or
  - (b) receive from a general partner or the partnership any payment, conveyance, or release from liability, if at the time the assets of the partnership are not sufficient to discharge partnership liabilities to persons not claiming as general or limited partners.
- (2) The receiving of collateral security, or a payment, conveyance, or release in violation of the provisions of paragraph (1) is a fraud on the creditors of the partnership.

## RELATION OF LIMITED PARTNERS INTER SE

SEC. 14. Where there are several limited partners the members may agree that one or more of the limited partners shall have a priority over other limited partners as to the return of their contributions, as to their compensation by way of income, or as to any other matter. If such an agreement is made it shall be stated in the certificate, and in the absence of such a statement all the limited partners shall stand upon equal footing.

## COMPENSATION OF LIMITED PARTNER

SEC. 15. A limited partner may receive from the partnership the share of the profits or the compensation by way of income stipulated for in the certificate: *Provided*, That after such payment is made, whether from the property of the partnership or that of a general partner, the partnership assets are in excess of all liabilities of the partnership except liabilities to limited partners on account of their contributions and to general partners.

## WITHDRAWAL OR REDUCTION OF LIMITED PARTNER'S CONTRIBUTION

SEC. 16. (1) A limited partner shall not receive from a general partner or out of partnership property any part of his contribution until—

(a) all liabilities of the partnership, except liabilities to general partners and to limited partners on account of their contributions, have been paid or there remains property of the partnership sufficient to pay them,

(b) the consent of all members is had, unless the return of the contribution may be rightfully demanded under the provisions of paragraph (2), and

(c) the certificate is canceled or so amended as to set forth the withdrawal or reduction.

(2) Subject to the provisions of paragraph (1) a limited partner may rightfully demand the return of his contribution—

(a) on the dissolution of a partnership, or

(b) when the date specified in the certificate for its return has arrived, or

(c) after he has given six months' notice in writing to all other members, if no time is specified in the certificate either for the return of the contribution or for the dissolution of the partnership.

(3) In the absence of any statement in the certificate to the contrary or the consent of all members, a limited partner, irrespective of the nature of his contribution, has only the right to demand and receive cash in return for his contribution.

(4) A limited partner may have the partnership dissolved and its affairs wound up when—

(a) he rightfully but unsuccessfully demands the return of his contribution, or

(b) the other liabilities of the partnership have not been paid, or the partnership property is insufficient for their payment as required by paragraph (1a) and the limited partner would otherwise be entitled to the return of his contribution.

## LIABILITY OF LIMITED PARTNER TO PARTNERSHIP

SEC. 17. (1) A limited partner is liable to the partnership—

(a) for the difference between his contribution as actually made and that stated in the certificate as having been made, and

(b) for any unpaid contribution which he agreed in the certificate to make in the future at the time and on the conditions stated in the certificate.

(2) A limited partner holds as trustee for the partnership—

(a) specific property stated in the certificate as contributed by him, but which was not contributed or which has been wrongfully returned, and

(b) money or other property wrongfully paid or conveyed to him on account of his contribution.

(3) The liabilities of a limited partner as set forth in this section can be waived or compromised only by the consent of all members; but a waiver or compromise shall not affect the right of a creditor of a partnership, who extended credit or whose claim arose after the filing and before a cancellation or amendment of the certificate, to enforce such liabilities.

(4) When a contributor has rightfully received the return in whole or in part of the capital of his contribution, he is nevertheless liable to the partnership for any sum, not in excess of such return with interest, necessary to discharge its liabilities to all creditors who extended credit or whose claims arose before such return.

#### NATURE OF LIMITED PARTNER'S INTEREST IN PARTNERSHIP

SEC. 18. A limited partner's interest in the partnership is personal property.

#### ASSIGNMENT OF LIMITED PARTNER'S INTEREST

SEC. 19. (1) A limited partner's interest is assignable.

(2) A substituted limited partner is a person admitted to all the rights of a limited partner who has died or has assigned his interest in a partnership.

(3) An assignee, who does not become a substituted limited partner, has no right to require any information or account of the partnership transactions or to inspect the partnership books; he is only entitled to receive the share of the profits or other compensation by way of income, or the return of his contribution, to which his assignor would otherwise be entitled.

(4) An assignee shall have the right to become a substituted limited partner if all the members (except the assignor) consent thereto or if the assignor, being thereunto empowered by the certificate, gives the assignee that right.

(5) An assignee becomes a substituted limited partner when the certificate is appropriately amended in accordance with section 25.

(6) The substituted limited partner has all the rights and powers, and is subject to all the restrictions and liabilities of his assignor, except those liabilities of which he was ignorant at the time he became a limited partner and which could not be ascertained from the certificate.

(7) The substitution of the assignee as a limited partner does not release the assignor from liability to the partnership under sections 6 and 17.

#### EFFECT OF RETIREMENT, DEATH, OR INSANITY OF A GENERAL PARTNER

SEC. 20. The retirement, death, or insanity of a general partner dissolves the partnership, unless the business is continued by the remaining general partners—

(a) under a right so to do stated in the certificate, or

(b) with the consent of all members.



## DEATH OF LIMITED PARTNER

SEC. 21. (1) On the death of a limited partner his executor or administrator shall have all the rights of a limited partner for the purpose of settling his estate, and such power as the deceased had to constitute his assignee a substituted limited partner.

(2) The estate of a deceased limited partner shall be liable for all his liabilities as a limited partner.

## RIGHTS OF CREDITORS OF LIMITED PARTNER

SEC. 22. (1) On due application to a court of competent jurisdiction by any judgment creditor of a limited partner, the court may charge the interest of the indebted limited partner with payment of the unsatisfied amount of the judgment debt; and may appoint a receiver, and make all other orders, directions, and inquiries which the circumstances of the case may require.

(2) The interest may be redeemed with the separate property of any general partner, but may not be redeemed with partnership property.

(3) The remedies conferred by paragraph (1) shall not be deemed exclusive of others which may exist.

(4) Nothing in this Act shall be held to deprive a limited partner of his statutory exemption.

## DISTRIBUTION OF ASSETS

SEC. 23. (1) In settling accounts after dissolution the liabilities of the partnership shall be entitled to payment in the following order:

(a) Those to creditors, in the order of priority as provided by law, except those to limited partners on account of their contributions, and to general partners.

(b) Those to limited partners in respect to their share of the profits and other compensation by way of income on their contributions.

(c) Those to limited partners in respect to the capital of their contributions.

(d) Those to general partners other than for capital and profits.

(e) Those to general partners in respect to profits.

(f) Those to general partners in respect to capital.

(2) Subject to any statement in the certificate or to subsequent agreement, limited partners share in the partnership assets in respect to their claims for capital, and in respect to their claims for profits or for compensation by way of income on their contributions respectively, in proportion to the respective amounts of such claims.

## WHEN CERTIFICATE SHALL BE CANCELED OR AMENDED

SEC. 24. (1) The certificate shall be canceled when the partnership is dissolved or all limited partners cease to be such.

(2) A certificate shall be amended when—

(a) there is a change in the name of the partnership or in the amount or character of the contribution of any limited partner,

(b) a person is substituted as a limited partner,

(c) an additional limited partner is admitted,

(d) a person is admitted as a general partner,

(e) a general partner retires, dies, or becomes insane, and the business is continued under section 20,

(f) there is a change in the character of the business of the partnership,

- (g) there is a false or erroneous statement in the certificate,
- (h) there is a change in the time as stated in the certificate for the dissolution of the partnership or for the return of a contribution,
- (i) a time is fixed for the dissolution of the partnership, or the return of a contribution, no time having been specified in the certificate, or
- (j) the members desire to make a change in any other statement in the certificate in order that it shall accurately represent the agreement between them.

#### REQUIREMENTS FOR AMENDMENT AND FOR CANCELLATION OF CERTIFICATE

SEC. 25. (1) The writing to amend a certificate shall—

(a) conform to the requirements of section 2(1)(a) as far as necessary to set forth clearly the change in the certificate which it is desired to make, and

(b) be signed and sworn to by all members, and an amendment substituting a limited partner or adding a limited or general partner shall be signed also by the member to be substituted or added, and when a limited partner is to be substituted, the amendment shall also be signed by the assigning limited partner.

(2) The writing to cancel a certificate shall be signed by all members.

(3) A person desiring the cancellation or amendment of a certificate, if any person designated in paragraphs (1) and (2) as a person who must execute the writing refuses to do so, may petition the United States District Court for the District of Columbia to direct a cancellation or amendment thereof.

(4) If the court finds that the petitioner has a right to have the writing executed by a person who refuses to do so, it shall order the Recorder of Deeds of the District of Columbia where the certificate is recorded to record the cancellation or amendment of the certificate; and where the certificate is to be amended, the court shall also cause to be filed for record in said office a certified copy of its decree setting forth the amendment.

(5) A certificate is amended or canceled when there is filed for record in the office of the Recorder of Deeds of the District of Columbia where the certificate is recorded—

(a) a writing in accordance with the provisions of paragraph (1) or (2), or

(b) a certified copy of the order of court in accordance with the provisions of paragraph (4).

(6) After the certificate is duly amended in accordance with this section, the amended certificate shall thereafter be for all purposes the certificate provided for by this Act.

#### PARTIES TO ACTIONS

SEC. 26. A contributor, unless he is a general partner, is not a proper party to proceedings by or against a partnership, except where the object is to enforce a limited partner's right against or liability to the partnership.

#### NAME OF ACT

SEC. 27. This Act may be cited as the "Uniform Limited Partnership Act".

## RULES OF CONSTRUCTION

SEC. 28. (1) The rule that statutes in derogation of the common law are to be strictly construed shall have no application to this Act.

(2) This Act shall be so interpreted and construed as to effect its general purpose to make uniform the law of those States which enact it.

(3) This Act shall not be so construed as to impair the obligations of any contract existing when the Act goes into effect, nor to affect any action on proceedings begun or right accrued before this Act takes effect.

## RULES FOR CASES NOT PROVIDED FOR IN THIS ACT

SEC. 29. In any case not provided for in this Act the rules of law and equity, including the law merchant, shall govern.

## PROVISIONS FOR EXISTING LIMITED PARTNERSHIPS

31 Stat. 1189.

SEC. 30. (1) A limited partnership formed under the Act approved March 3, 1901, as amended, prior to the adoption of this Act, may become a limited partnership under this Act by complying with the provisions of section 2: *Provided*, That the certificate sets forth—

(a) the amount of the original contribution of each limited partner, and the time when the contribution was made, and

(b) that the property of the partnership exceeds the amount sufficient to discharge its liabilities to persons not claiming as general or limited partners by an amount greater than the sum of the contributions of its limited partners.

(2) A limited partnership formed under the Act approved March 3, 1901, as amended, prior to the adoption of this Act, until or unless it becomes a limited partnership under this Act, shall continue to be governed by the provisions of Thirty-first Statutes at Large, page 1415, chapter 854, sections 1498–1506, 1508, 1510–1528, as amended, except that such partnership shall not be renewed unless so provided in the original agreement.

D. C. Code 41-  
101 to 41-109; 41-  
111; 41-113 to  
41-131.

## REPEAL

SEC. 31. Except as affecting existing limited partnerships to the extent set forth in section 30, Thirty-first Statutes at Large, page 1415, chapter 854, sections 1498–1506, 1508, 1510–1528, as amended, is hereby repealed.

Approved September 28, 1962.

## Public Law 87-717

September 28, 1962  
[H. R. 7796]

## AN ACT

To amend certain lending limitations on real estate and construction loans applicable to national banks.

National banks.  
Real estate and  
construction loans,  
lending limita-  
tions.  
69 Stat. 634.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the fourth sentence of the first paragraph of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended to read as follows: "No such association shall make such loans in an aggregate sum in excess of the amount of the capital stock of such association paid in and unimpaired plus the amount of its unimpaired surplus fund, or in excess of 70 per centum of the amount of its time and savings deposits, whichever is the greater."

SEC. 2. The first sentence of the third paragraph of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended to read as follows:

73 Stat. 489.

"Loans made to finance the construction of industrial or commercial buildings and having maturities of not to exceed eighteen months where there is a valid and binding agreement entered into by a financially responsible lender to advance the full amount of the bank's loan upon completion of the buildings and loans made to finance the construction of residential or farm buildings and having maturities of not to exceed eighteen months, shall not be considered as loans secured by real estate within the meaning of this section but shall be classed as ordinary commercial loans whether or not secured by a mortgage or similar lien on the real estate upon which the building or buildings are being constructed: *Provided*, That no national banking association shall invest in, or be liable on, any such loans in an aggregate amount in excess of 100 per centum of its actually paid-in and unimpaired capital plus 100 per centum of its unimpaired surplus fund."

Approved September 28, 1962.

## Public Law 87-718

### AN ACT

September 28, 1962  
[S. 3475]

To provide further for cooperation with States in administration and enforcement of certain Federal laws.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, in order to avoid duplication of functions, facilities, and personnel, and to attain closer coordination and greater effectiveness and economy in administration of Federal and State laws and regulations relating to the marketing of agricultural products and to the control or eradication of plant and animal diseases and pests, the Secretary of Agriculture is hereby authorized, in the administration and enforcement of such Federal laws within his area of responsibility, whenever he deems it feasible and in the public interest, to enter into cooperative arrangements with State departments of agriculture and other State agencies charged with the administration and enforcement of such State laws and regulations and to provide that any such State agency which has adequate facilities, personnel, and procedures, as determined by the Secretary, may assist the Secretary in the administration and enforcement of such Federal laws and regulations to the extent and in the manner he deems appropriate in the public interest.

Agriculture  
Dept.  
Federal law enforcement, cooperation with State agencies.

Further, the Secretary is authorized to coordinate the administration of such Federal laws and regulations with such State laws and regulations wherever feasible. However, nothing herein shall affect the jurisdiction of the Secretary of Agriculture under any Federal law, or any authority to cooperate with State agencies or other agencies or persons under existing provisions of law, or affect any restrictions of law upon such cooperation.

Approved September 28, 1962.

## Public Law 87-719

## AN ACT

September 28, 1962  
[S. 3580]

To amend the Atomic Energy Community Act of 1955, as amended, to provide for the disposal of federally owned properties at Los Alamos, New Mexico, and for other purposes.

Atomic Energy  
Community Act of  
1955, amendment.  
Definitions.  
69 Stat. 473.  
42 USC 2304.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Atomic Energy Community Act of 1955, as amended, is hereby further amended in the following respects:

Section 21 b. is hereby amended by striking the period after the words "General Manager" in subsection (2), by inserting after the quotation mark: "; or (3) Los Alamos, New Mexico, designated on a map on file at the principal office of the Commission, entitled 'Minimum Geographic Area, Los Alamos, New Mexico,' bearing the legend 'Boundary Line, Minimum Geographic Area, Los Alamos, New Mexico' and marked 'Approved, April 5, 1962, A. R. Luedecke, General Manager.'"

SEC. 2. Section 21 i. is hereby amended by striking therefrom the period appearing after the words "Hanford, Washington" by inserting a comma in lieu thereof and by adding thereafter: "or that area which, on the date Los Alamos is included within this Act, constitutes the County of Los Alamos, New Mexico, excluding therefrom, however, that land which is, on said date, under the administrative control of the National Park Service of the Department of the Interior."

SEC. 3. Section 21 l. is hereby amended by inserting "any natural gas distribution system," after the comma following "electrical distribution system".

SEC. 4. A new subsection is hereby added to section 21, as follows: "m. The terms 'single' and 'single family' when used in connection with 'house' or 'residential property' shall include each separate unit of a residential structure which the Commission has classified as a residential structure containing two or more separate single family units pursuant to section 41 c. of this Act."

SEC. 5. Section 32 is hereby amended by striking therefrom the third sentence and substituting in lieu thereof the following: "The Federal Housing Commissioner shall be reimbursed from the Community Disposal Operations Fund for the cost of such appraisals."

SEC. 6. Section 36 b. is hereby amended to read as follows:

"b. An occupant of a single family or duplex house shall, upon application therefor, be entitled to a credit, against the purchase price of any residential property purchased through the exercise of a priority right established under the provisions of section 42, for the amount by which the current fair market value of the Government's interest in the single family or duplex house of which he was an occupant is enhanced as a result of improvements to the premises of such single family or duplex house made by, or at the expense of, such occupant."

SEC. 7. Section 41 a. is hereby amended by inserting between the word "Act" and the comma: ", or, in the case of Los Alamos, upon its inclusion within this Act".

SEC. 8. A new subsection is hereby added to section 41, as follows:

"c. Prior to the date any residential property is first offered for sale at Los Alamos, the Commission shall further classify each residential structure within the community of Los Alamos either as a single family house, a duplex house, an apartment house, a dormitory, or as a residential structure containing two or more separate single family units and shall post, at the offices of the Commission at Los

"Single" and  
"single family."

Infra.  
Appraisals  
costs, reimburse-  
ment.  
42 USC 2322.

Purchase price  
credits.  
42 USC 2326.

Property classi-  
fication.  
42 USC 2331.

Alamos, a list, available for public inspection at reasonable times, showing the classification of each such residential structure. For the purposes of this Act, each such residential structure will thereafter be deemed to be a single family house, a duplex house, an apartment house, a dormitory, or a residential structure containing two or more separate single family units in accordance with its classification. In determining the classification of each such residential structure containing two or more single family units, the Commission shall consider (1) the practicability of selling separately the single family units, and (2) the insurability of mortgages under section 223(a) of the National Housing Act, as amended."

SEC. 9. Section 52 a. is hereby amended by striking the period after the words "chapter 8" in subsection (2) and by inserting thereafter: "; or (3) property which in the opinion of the Commission should be retained by the Commission for its own use."

SEC. 10. The first sentence in section 53 b. is hereby amended by striking everything after the word "bids" and inserting a period at the end thereof.

SEC. 11. Section 53 c. is hereby amended by striking everything after the word "appropriate" and inserting a period at the end thereof.

SEC. 12. Section 55 d. is hereby amended by inserting between the word "community" and the semicolon "or after June 30, 1966, in the case of Los Alamos".

SEC. 13. Section 57 b. is hereby amended by adding the following sentence: "The zoning restrictions to be taken into account at Los Alamos shall be those which the local government is likely to enact with respect to those lots."

SEC. 14. A new section is hereby added, as follows:

"SEC. 58. COOPERATIVES.—The Commission may grant to cooperatives, the entire initial membership of which is restricted to project-connected persons, such priorities for the purchase of apartment buildings as the Commission determines fair and reasonable. The priority with respect to each cooperative shall terminate if within such time as the Commission may prescribe the cooperative has not obtained one hundred per centum initial membership consisting of project-connected persons. The 15 per centum deduction specified by subsection 35 a., the deduction provided by 36 d., the financing provisions of section 62, and the indemnity provided by sections 63, 64, 65, and 66 shall be applicable to priority sales of apartment buildings to such cooperatives. The term 'cooperative' as used herein means a corporation or a trust of the character described in section 213(a) (1) of the National Housing Act, as amended."

SEC. 15. Section 62 a. is hereby amended by deleting "house, apartment building, or dormitory" and by inserting in lieu thereof "such property".

SEC. 16. Section 62 d. is hereby amended to read as follows:

"d. The Commission may sell any notes and mortgages acquired under subsections a. and c. of this section on terms set by the Commission. Notwithstanding any other provisions of law and without regard to the provisions of section 3709 of the Revised Statutes, the Commission may, in accordance with such terms and conditions as it may prescribe, (1) enter into contracts for servicing any of the notes and mortgages it has acquired, and (2) sell or enter into contracts to sell to a servicer any notes and mortgages with respect to which a servicing contract has been entered into by the servicer with the Commission: *Provided*, That with respect to sales of notes and mortgages under (2) the Commission shall comply with section 3709 of the Revised Statutes unless it determines that such compliance would not be feasible."

68 Stat. 605.  
12 USC 1715n.  
Property dis-  
posal.  
69 Stat. 476.  
42 USC 2342.

75 Stat. 409.  
42 USC 2343.

42 USC 2345.

42 USC 2347.

Cooperatives.

42 USC 2325,  
2326, 2362-2366.

64 Stat. 54.  
12 USC 1715e.  
70 Stat. 653.  
42 USC 2362.

Contracts.

41 USC 5.

Indemnifica-  
tion provisions.  
69 Stat. 479.  
42 USC 2363.

SEC. 17. Section 63 is hereby amended by inserting the following between the word "Act" and the comma: "or, in the case of Los Alamos, not more than fifteen years after the date it is included within this Act".

42 USC 2364.

SEC. 18. Section 64, clause (a) is hereby amended by inserting between the word "Richland" and the semicolon: "or four thousand six hundred and twenty in the case of Los Alamos".

SEC. 19. Section 64, clause (b) is hereby amended by inserting between the word "Richland" and the period: "or eleven thousand seven hundred and sixty-nine in the case of Los Alamos".

Utilities.  
42 USC 2372.

SEC. 20. Section 72 is hereby amended by inserting between the word "Act" and the period: "in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than five years after the date it is included within this Act".

42 USC 2375.

SEC. 21. Section 75 is hereby amended by striking the period after the word "transferee", by inserting a colon in lieu thereof and by adding thereafter: "Provided, That at Los Alamos, utilities may be given to the county or other local governmental entity."

Municipalities.  
Organization  
assistance.  
42 USC 2381.

SEC. 22. Section 81 is hereby amended by inserting the following between the words "Act" and "to cooperate": "in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not to extend beyond five years after the date it is included within this Act,".

42 USC 2383.

SEC. 23. Section 83 is hereby amended by inserting between the word "Act" and the period: "in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than five years after the date it is included within this Act".

Appropriation  
provisions.  
42 USC 2312.

SEC. 24. Section 118 b. is hereby amended by striking the word "and" between the words "Oak Ridge" and "the sum of", by inserting a comma in lieu thereof, by inserting between the words "at Richland" and "for": "and the sum of \$8,719,000 at Los Alamos", by inserting between the words "installations" and "authorized": "and utilities", and by inserting between the words "pursuant to" and "chapter": "chapter 7 and".

Approved September 28, 1962.

## Public Law 87-720

September 28, 1962  
[H. R. 12416]

### AN ACT

To authorize the sale, without regard to the six-month waiting period prescribed, of chestnut extract proposed to be disposed of pursuant to the Strategic and Critical Materials Stock Piling Act.

Chestnut ex-  
tract.  
Disposition.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately four thousand tons of chestnut extract now held in the national stockpile. Such disposition may be made without regard to the provisions of section 3 of the Strategic and Critical Materials Stock Piling Act, relating to dispositions on the basis of a revised determination pursuant to section 2 of said Act, to the effect that no such disposition shall be made until six months after publication in the Federal Register and transmission to the Congress and to the Armed Services Committees thereof of a notice of the proposed disposition.

Approved September 28, 1962.

Publication in  
F. R.  
Notification.

60 Stat. 597.  
50 USC 98b.

## Public Law 87-721

## AN ACT

September 28, 1962

[H. R. 12899]

To amend section 5155 of the Revised Statutes relating to bank branches which may be retained upon conversion or consolidation or merger.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of section 5155 of the Revised Statutes, as amended (12 U.S.C. 36), is amended to read as follows:

Bank branches.  
Retention after  
merger.

“(b) (1) A national bank resulting from the conversion of a State bank may retain and operate as a branch any office which was a branch of the State bank immediately prior to conversion if such office—

“(A) might be established under subsection (c) of this section as a new branch of the resulting national bank, and is approved by the Comptroller of the Currency for continued operation as a branch of the resulting national bank;

“(B) was a branch of any bank on February 25, 1927; or

“(C) is approved by the Comptroller of the Currency for continued operation as a branch of the resulting national bank.

The Comptroller of the Currency may not grant approval under clause (C) of this paragraph if a State bank (in a situation identical to that of the national bank) resulting from the conversion of a national bank would be prohibited by the law of such State from retaining and operating as a branch an identically situated office which was a branch of the national bank immediately prior to conversion.

“(2) A national bank (referred to in this paragraph as the ‘resulting bank’), resulting from the consolidation of a national bank (referred to in this paragraph as the ‘national bank’) under whose charter the consolidation is effected with another bank or banks, may retain and operate as a branch any office which, immediately prior to such consolidation, was in operation as—

“(A) a main office or branch office of any bank (other than the national bank) participating in the consolidation if, under subsection (c) of this section, it might be established as a new branch of the resulting bank, and if the Comptroller of the Currency approves of its continued operation after the consolidation;

“(B) a branch of any bank participating in the consolidation, and which, on February 25, 1927, was in operation as a branch of any bank; or

“(C) a branch of the national bank and which, on February 25, 1927, was not in operation as a branch of any bank, if the Comptroller of the Currency approves of its continued operation after the consolidation.

The Comptroller of the Currency may not grant approval under clause (C) of this paragraph if a State bank (in a situation identical to that of the resulting national bank) resulting from the consolidation into a State bank of another bank or banks would be prohibited by the law of such State from retaining and operating as a branch an identically situated office which was a branch of the State bank immediately prior to consolidation.

“(3) As used in this subsection, the term ‘consolidation’ includes a merger.” “Consolidation.”

Approved September 28, 1962.



## Public Law 87-722

September 28, 1962  
[H. R. 12577]

## AN ACT

To place authority over the trust powers of national banks in the Comptroller of the Currency.

National banks.  
Trust powers.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the Comptroller of the Currency shall be authorized and empowered to grant by special permit to national banks applying therefor, when not in contravention of State or local law, the right to act as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity in which State banks, trust companies, or other corporations which come into competition with national banks are permitted to act under the laws of the State in which the national bank is located.

(b) Whenever the laws of such State authorize or permit the exercise of any or all of the foregoing powers by State banks, trust companies, or other corporations which compete with national banks, the granting to and the exercise of such powers by national banks shall not be deemed to be in contravention of State or local law within the meaning of this Act.

(c) National banks exercising any or all of the powers enumerating in this section shall segregate all assets held in any fiduciary capacity from the general assets of the bank and shall keep a separate set of books and records showing in proper detail all transactions engaged in under authority of this section. The State banking authorities may have access to reports of examination made by the Comptroller of the Currency insofar as such reports relate to the trust department of such bank, but nothing in this Act shall be construed as authorizing the State banking authorities to examine the books, records, and assets of such bank.

(d) No national bank shall receive in its trust department deposits of current funds subject to check or the deposit of checks, drafts, bills of exchange, or other items for collection or exchange purposes. Funds deposited or held in trust by the bank awaiting investment shall be carried in a separate account and shall not be used by the bank in the conduct of its business unless it shall first set aside in the trust department United States bonds or other securities approved by the Comptroller of the Currency.

(e) In the event of the failure of such bank the owners of the funds held in trust for investment shall have a lien on the bonds or other securities so set apart in addition to their claim against the estate of the bank.

(f) Whenever the laws of a State require corporations acting in a fiduciary capacity to deposit securities with the State authorities for the protection of private or court trusts, national banks so acting shall be required to make similar deposits and securities so deposited shall be held for the protection of private or court trusts, as provided by the State law. National banks in such cases shall not be required to execute the bond usually required of individuals if State corporations under similar circumstances are exempt from this requirement. National banks shall have power to execute such bond when so required by the laws of the State.

(g) In any case in which the laws of a State require that a corporation acting as trustee, executor, administrator, or in any capacity specified in this section, shall take an oath or make an affidavit, the president, vice president, cashier, or trust officer of such national bank may take the necessary oath or execute the necessary affidavit.

(h) It shall be unlawful for any national banking association to lend any officer, director, or employee any funds held in trust under the powers conferred by this section. Any officer, director, or employee making such loan, or to whom such loan is made, may be fined not more than \$5,000, or imprisoned not more than five years, or may be both fined and imprisoned, in the discretion of the court.

Penalty.

(i) In passing upon applications for permission to exercise the powers enumerated in this section, the Comptroller of the Currency may take into consideration the amount of capital and surplus of the applying bank, whether or not such capital and surplus is sufficient under the circumstances of the case, the needs of the community to be served, and any other facts and circumstances that seem to him proper, and may grant or refuse the application accordingly: *Provided*, That no permit shall be issued to any national banking association having a capital and surplus less than the capital and surplus required by State law of State banks, trust companies, and corporations exercising such powers.

(j) Any national banking association desiring to surrender its right to exercise the powers granted under this section, in order to relieve itself of the necessity of complying with the requirements of this section, or to have returned to it any securities which it may have deposited with the State authorities for the protection of private or court trusts, or for any other purpose, may file with the Comptroller of the Currency a certified copy of a resolution of its board of directors signifying such desire. Upon receipt of such resolution, the Comptroller of the Currency, after satisfying himself that such bank has been relieved in accordance with State law of all duties as trustee, executory, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, committee of estates of lunatics or other fiduciary, under court, private, or other appointments previously accepted under authority of this section, may, in his discretion, issue to such bank a certificate certifying that such bank is no longer authorized to exercise the powers granted by this section. Upon the issuance of such a certificate by the Comptroller of the Currency, such bank (1) shall no longer be subject to the provisions of this section or the regulations of the Comptroller of the Currency made pursuant thereto, (2) shall be entitled to have returned to it any securities which it may have deposited with the State authorities for the protection of private or court trusts, and (3) shall not exercise thereafter any of the powers granted by this section without first applying for and obtaining a new permit to exercise such powers pursuant to the provisions of this section. The Comptroller of the Currency is authorized and empowered to promulgate such regulations as he may deem necessary to enforce compliance with the provisions of this section and the proper exercise of the powers granted therein.

SEC. 2. Nothing contained in this Act shall be deemed to affect or curtail the right of any national bank to act in fiduciary capacities under a permit granted before the date of enactment of this Act by the Board of Governors of the Federal Reserve System, nor to affect the validity of any transactions entered into at any time by any national bank pursuant to such permit. On and after the date of enactment of this Act the exercise of fiduciary powers by national banks shall be subject to the provisions of this Act and the requirements of regulations issued by the Comptroller of the Currency pursuant to the authority granted by this Act.

Savings provisions.

Repeal.  
38 Stat. 262.

SEC. 3. Subsection (k) of section 11 of the Federal Reserve Act (12 U.S.C. 248(k)) is repealed.

68A Stat. 203.

SEC. 4. Paragraph (2) of subsection (a) of section 584 of the Internal Revenue Code of 1954 is amended by inserting "or the Comptroller of the Currency" immediately after "the Board of Governors of the Federal Reserve System".

SEC. 5. Section 581 of the Internal Revenue Code of 1954 is amended by striking out "section 11(k) of the Federal Reserve Act (38 Stat. 262; 12 U.S.C. 248(k))", and inserting in lieu thereof "authority of the Comptroller of the Currency".

Approved September 28, 1962.

## Public Law 87-723

September 28, 1962  
[H. R. 12628]

### AN ACT

To provide additional funds under section 202(a)(4) of the Housing Act of 1959, and to amend title V of the Housing Act of 1949, in order to provide low and moderate cost housing, both urban and rural, for the elderly.

Senior Citizens  
Housing Act of  
1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Senior Citizens Housing Act of 1962".

SEC. 2. The Congress finds that there is a large and growing need for suitable housing for older people both in urban and rural areas. Our older citizens face special problems in meeting their housing needs because of the prevalence of modest and limited incomes among the elderly, their difficulty in obtaining liberal long-term home mortgage credit, and their need for housing planned and designed to include features necessary to the safety and convenience of the occupants in a suitable neighborhood environment. The Congress further finds that the present programs for housing the elderly under the Housing and Home Finance Agency have proven the value of Federal credit assistance in this field and at the same time demonstrated the urgent need for an expanded and more comprehensive effort to meet our responsibilities to our senior citizens.

Loans, revolving  
fund.  
73 Stat. 667;  
75 Stat. 163.  
12 USC 1701q.

SEC. 3. (a) Section 202(a)(4) of the Housing Act of 1959 is amended by striking out "\$125,000,000" and inserting in lieu thereof "\$225,000,000".

(b) Effective with respect to applications for loans under section 202 of the Housing Act of 1959 made after the date of the enactment of this Act—

(1) section 202(d)(1) of such Act is amended by striking out "(A)", and by striking "and (B)" and all that follows and inserting in lieu thereof a period;

(2) section 202(d)(7) of such Act is amended by striking out all that follows "new structures" and inserting in lieu thereof a period; and

(3) section 202(d)(8) of such Act is amended by striking out "(A)", and by striking out "and (B)" and all that follows and inserting in lieu thereof a period.

Farm housing,  
financial as-  
sistance.  
63 Stat. 432.  
42 USC 1471.

SEC. 4. (a)(1) Section 501 of the Housing Act of 1949 is amended—

(A) by striking out the period at the end of subsection (a) and inserting in lieu thereof the following: "and (3) to elderly persons who are or will be the owners of land in rural areas for the construction, improvement, alteration, or repair of dwellings and related facilities, the purchase of previously occupied dwellings

and related facilities and the purchase of land constituting a minimum adequate site, in order to provide them with adequate dwellings and related facilities for their own use.”;

(B) by inserting at the end of subsection (b) the following new paragraph:

“(3) For the purposes of this title, the term ‘elderly persons’ means persons who are 62 years of age or over.”; and

“Elderly persons.”

(C) by inserting immediately before the semicolon at the end of clause (1) of subsection (c) the following: “, or that he is an elderly person in a rural area without an adequate dwelling or related facilities for his own use”.

(2) Section 502(a) of such Act is amended by adding at the end thereof the following new sentence: “In cases of applicants who are elderly persons, the Secretary may accept the personal liability of any person with adequate repayment ability who will cosign the applicant’s note to compensate for any deficiency in the applicant’s repayment ability.”

Loans for housing on adequate farms.  
42 USC 1472.

(b) Title V of the Housing Act of 1949 is amended by adding at the end thereof the following new section:

63 Stat. 432.  
42 USC 1471-1484.

**“DIRECT AND INSURED LOANS TO PROVIDE HOUSING AND RELATED FACILITIES FOR ELDERLY PERSONS AND FAMILIES IN RURAL AREAS**

“SEC. 515. (a) The Secretary is authorized to make loans to private nonprofit corporations and consumer cooperatives to provide rental housing and related facilities for elderly persons and elderly families of low or moderate income in rural areas, in accordance with terms and conditions substantially identical with those specified in section 502; except that—

42 USC 1472..

“(1) no such loan shall exceed the development cost or the value of the security, whichever is less;

“(2) such loans shall bear interest at rates determined by the Secretary, not to exceed the maximum rate provided in section 202(a) (3) of the Housing Act of 1959; and

73 Stat. 667.  
12 USC 1701c.

“(3) such a loan may be made for a period of up to fifty years from the making of the loan.

There is authorized to be appropriated not to exceed \$50,000,000, which shall constitute a revolving fund to be used by the Secretary in carrying out this subsection.

Appropriation.

“(b) The Secretary is authorized to insure and make commitments to insure loans made to any individual, corporation, association, trust, or partnership to provide rental housing and related facilities for elderly persons and elderly families in rural areas, in accordance with terms and conditions substantially identical with those specified in section 502; except that—

“(1) no such loan shall exceed \$100,000 or the development cost or the value of the security, whichever is least;

“(2) such loans shall bear interest at rates determined by the Secretary, not to exceed the maximum rate provided in section 203(b) (5) of the National Housing Act;

68 Stat. 591.  
12 USC 1709.

“(3) provide for complete amortization by periodic payments within such term as the Secretary may prescribe;

“(4) for insuring such loans, the Secretary shall utilize the Agricultural Credit Insurance Fund subject to all the provisions of section 309 and the second and third sentences of section 308 of the Consolidated Farmers Home Administration Act of 1961, including the authority in section 309(f) (1) of that Act to utilize the insurance fund to make, sell, and insure loans which could be

Agricultural Credit Insurance Fund.  
75 Stat. 309, 308.  
7 USC 1929, 1928.

insured under this subsection; but the aggregate of the principal amounts of such loans made by the Secretary and not disposed of shall not exceed \$10,000,000 outstanding at any one time; and the Secretary may take liens running to the United States though the notes may be held by other lenders; and

Loan authority,  
expiration date.

“(5) no loan shall be insured under this subsection after June 30, 1964.

“(c) No loan shall be made or insured under subsection (a) or (b) unless the Secretary finds that the construction involved will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials.

Definitions.

“(d) As used in this section—

“(1) the term ‘housing’ means new or existing housing suitable for dwelling use by elderly persons or elderly families;

“(2) the term ‘related facilities’ includes cafeterias or dining halls, community rooms or buildings, appropriate recreation facilities, and other essential service facilities;

“(3) the term ‘elderly persons’ means persons who are 62 years of age or over; and the term ‘elderly families’ means families the head of which (or his spouse) is 62 years of age or over; and

“(4) the term ‘development cost’ means the costs of constructing, purchasing, improving, altering, or repairing new or existing housing and related facilities and purchasing and improving the necessary land, including necessary and appropriate fees and charges approved by the Secretary.

63 Stat. 438;  
75 Stat. 186.  
42 USC 1483.

“(e) Amounts made available pursuant to section 513 of this Act shall be available for administrative expenses incurred under this section.”

42 USC 1481.  
42 USC 1474.  
Ante, p. 671.

(c) (1) Section 511 of the Housing Act of 1949 is amended—

(A) by striking out “section 504(b)” and inserting in lieu thereof “section 504(b) or 515(a)”; and

(B) by striking out “\$650,000,000” and inserting in lieu thereof “\$700,000,000, of which \$50,000,000 shall be available exclusively for assistance to elderly persons as provided in clause (3) of section 501(a)”.

42 USC 1471.  
42 USC 1476.  
42 USC 1484.

(2) Section 506(a) of such Act is amended by striking out “section 514” each place it appears and inserting in lieu thereof “sections 514 and 515”.

(3) Section 504(a) of such Act is amended by striking out “(1) in the form of a loan, or combined loan and grant, in excess of \$1,000, or (2) in the form of a grant (whether or not combined with a loan) in excess of \$500” and inserting in lieu thereof “in the form of a loan, grant, or combined loan and grant in excess of \$1,000”.

(4) Paragraph (12) of section 5200 of the Revised Statutes (12 U.S.C. 84) is amended by inserting “or title V of the Housing Act of 1949,” immediately before “shall be subject under this section”.

Approved September 28, 1962.

## Public Law 87-724

September 29, 1962  
[H. J. Res. 897]

## JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1963, and for other purposes.

Ante, p. 427.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the joint resolution of August 31, 1962 (Public Law 87-625), is hereby amended by striking out “September 30, 1962” and inserting in lieu thereof “October 31, 1962”.

Approved September 29, 1962.

## Public Law 87-725

## AN ACT

To amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

October 1, 1962  
[S. 1037]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraphs (6) and (7) of the first section of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a), are amended to read as follows:

"(6) The term 'dealer' means any person engaged in the business of buying or selling in wholesale or jobbing quantities, as defined by the Secretary, any perishable agricultural commodity in interstate or foreign commerce, except that (A) no producer shall be considered as a 'dealer' in respect to sales of any such commodity of his own raising; (B) no person buying any such commodity solely for sale at retail shall be considered as a 'dealer' until the invoice cost of his purchases of perishable agricultural commodities in any calendar year are in excess of \$90,000; and (C) no person buying any commodity for canning and/or processing within the State where grown shall be considered a 'dealer' whether or not the canned or processed product is to be shipped in interstate or foreign commerce, unless such product is frozen or packed in ice, or consists of cherries in brine, within the meaning of paragraph (4) of this section. Any person not considered as a 'dealer' under clauses (A), (B), and (C) may elect to secure a license under the provisions of section 3, and in such case and while the license is in effect such person shall be considered as a 'dealer';

"(7) The term 'broker' means any person engaged in the business of negotiating sales and purchases of any perishable agricultural commodity in interstate or foreign commerce for or on behalf of the vendor or the purchaser, respectively, except that no person shall be deemed to be a 'broker' if such person is an independent agent negotiating sales for and on behalf of the vendor and if the only sales of such commodities negotiated by such person are sales of frozen fruits and vegetables having an invoice value not in excess of \$90,000 in any calendar year."

SEC. 2. The first section of such Act (7 U.S.C. 499a) is further amended by adding at the end thereof the following new paragraphs:

"(9) The term 'responsibly connected' means affiliated or connected with a commission merchant, dealer, or broker as (A) partner in a partnership, or (B) officer, director, or holder of more than 10 per centum of the outstanding stock of a corporation or association;

"(10) The terms 'employ' and 'employment' mean any affiliation of any person with the business operations of a licensee, with or without compensation, including ownership or self-employment."

SEC. 3. The third sentence of section 3(b) of such Act (7 U.S.C. 499c(b)) is amended to read as follows: "Upon the filing of the application, and annually thereafter, the applicant shall pay such fee as the Secretary determines necessary to meet the reasonably anticipated expenses for administering this Act and the Act to prevent the destruction or dumping of farm produce, approved March 3, 1927 (7 U.S.C. 491-497), but in no event shall such fee exceed \$50. Such fee, when collected, shall be deposited in the Treasury of the United States as a special fund, without fiscal year limitation, to be designated as the 'Perishable Agricultural Commodities Act Fund', which shall be available for all expenses necessary to the administration of this Act and the Act approved March 3, 1927, referred to above: *Provided*, That financial statements prescribed by the Director of the Bureau of the Budget for the last completed fiscal year, and as estimated for the current and ensuing fiscal years, shall be included in the budget as

Perishable Agricultural Commodities Act, 1930, amendment.  
50 Stat. 725;  
46 Stat. 532.  
Definitions.

License fees.  
64 Stat. 217.

44 Stat. 1355.

"Perishable Agricultural Commodities Act Fund."

submitted to the Congress annually. The Secretary shall give public notice of any increase to be made in the annual fee prescribed by him hereunder and shall allow a reasonable time prior to the effective date of such increase for interested persons to file their views on or objections to such increase."

46 Stat. 533.

SEC. 4. Section 3 of such Act (7 U.S.C. 499c) is further amended by adding at the end thereof the following new subsection:

Trade names.

"(c) A licensee may conduct business in more than one trade name or change the name under which business is conducted without requiring an additional or new license. The Secretary may disapprove the use of a trade name if, in his opinion, the use of the trade name by the licensee would be deceptive, misleading, or confusing to the trade, and the Secretary may, after notice and opportunity for a hearing, suspend for a period not to exceed ninety days the license of any licensee who continues to use a trade name which the Secretary has disapproved for use by such licensee. The Secretary may refuse to issue a license to an applicant if he finds that the trade name in which the applicant proposes to do business would be deceptive, misleading, or confusing to the trade if used by such applicant."

Bankruptcy.

70 Stat. 726.

SEC. 5. Section 4(a) of such Act (7 U.S.C. 499d(a)) is amended by inserting before the period at the end thereof ": And provided further, That the license of any licensee shall terminate upon said licensee, or in case the licensee is a partnership, any partner, being discharged as a bankrupt".

SEC. 6. Section 4(b) of such Act (7 U.S.C. 499d(b)) is amended to read as follows:

License refusal.

"(b) The Secretary shall refuse to issue a license to an applicant if he finds that the applicant, or any person responsibly connected with the applicant, is a person who, or is or was responsibly connected with a person who—

7 USC 499h.

"(A) has had his license revoked under the provisions of section 8 within two years prior to the date of the application or whose license is currently under suspension;

7 USC 499b.

"(B) within two years prior to the date of application has been found after notice and opportunity for hearing to have committed any flagrant or repeated violation of section 2, but this provision shall not apply to any case in which the license of the person found to have committed such violation was suspended and the suspension period has expired or is not in effect;

44 Stat. 1355.

"(C) within two years prior to the date of the application, has been found guilty in a Federal court of having violated the provisions of the Act of March 3, 1927 (7 U.S.C. 491-497), relating to the prevention of destruction and dumping of farm produce; or

Post, p. 675;  
7 USC 499g.

"(D) has failed, except in the case of bankruptcy and subject to his right of appeal under section 7(c), to pay any reparation order issued against him within two years prior to the date of the application."

SEC. 7. Section 4(c) of such Act (7 U.S.C. 499d(c)) is amended to read as follows:

Period of  
license ineligibility.

"(c) Any applicant ineligible for a license by reason of the provisions of subsection (b) of this section may, upon the expiration of the two-year period applicable to him, be issued a license by the Secretary if such applicant furnishes a surety bond in the form and amount satisfactory to the Secretary as assurance that his business will be conducted in accordance with this Act and that he will pay all reparation orders which may be issued against him in connection with transactions occurring within four years following the issuance of the license, subject to his right of appeal under section 7(c). In the event such applicant does not furnish such a surety bond, the Secretary

shall not issue a license to him until three years have elapsed after the date of the applicable order of the Secretary or decision of the court on appeal. If the surety bond so furnished is terminated for any reason without the approval of the Secretary the license shall be automatically canceled as of the date of such termination and no new license shall be issued to such person during the four-year period without a new surety bond covering the remainder of such period. The Secretary, based on changes in the nature and volume of business conducted by a bonded licensee, may require an increase or authorize a reduction in the amount of the bond. A bonded licensee who is notified by the Secretary to provide a bond in an increased amount shall do so within a reasonable time to be specified by the Secretary, and upon failure of the licensee to provide such bond his license shall be automatically suspended until such bond is provided."

SEC. 8. Subsections (c) and (d) of section 6 of such Act (7 U.S.C. 499f) are amended by striking out "\$500" each place it appears and inserting in lieu thereof "\$1,500".

74 Stat. 200;  
48 Stat. 587.

SEC. 9. Section 7(c) of such Act (7 U.S.C. 499g(c)) is amended by striking the second sentence thereof and substituting therefor the following: "Such appeal shall be perfected by the filing with the clerk of said court a notice of appeal, together with a petition in duplicate which shall recite prior proceedings before the Secretary and shall state the grounds upon which petitioner relies to defeat the right of the adverse party to recover the damages claimed, with proof of service thereof upon the adverse party. Such appeal shall not be effective unless within thirty days from and after the date of the reparation order the appellant also files with the clerk a bond in double the amount of the reparation awarded against the appellant conditioned upon the payment of the judgment entered by the court, plus interest and costs, including a reasonable attorney's fee for the appellee, if the appellee shall prevail. Such bond shall be in the form of cash, negotiable securities having a market value at least equivalent to the amount of bond prescribed, or the undertaking of a surety company on the approved list of sureties issued by the Treasury Department of the United States."

Bond on appeal.  
48 Stat. 587;  
54 Stat. 214.

SEC. 10. Section 7(d) of such Act (7 U.S.C. 499g(d)) is amended by striking the proviso at the end of the section and substituting therefor the following: "Provided, That if on the appeal the appellee prevails or if the appeal is dismissed the automatic suspension of license shall become effective at the expiration of thirty days from the date of the judgment on the appeal, but if the judgment is stayed by a court of competent jurisdiction the suspension shall become effective ten days after the expiration of such stay, unless prior thereto the judgment of the court has been satisfied."

Stay of license  
termination on ap-  
peal.  
50 Stat. 729.

SEC. 11. Section 8(b) of such Act (7 U.S.C. 499h(b)) is amended to read as follows:

"(b) Except with the approval of the Secretary, no licensee shall employ any person, or any person who is or has been responsibly connected with any person—

Employment  
of certain persons  
by licensees.  
70 Stat. 727.

"(1) whose license has been revoked or is currently suspended by order of the Secretary;

"(2) who has been found after notice and opportunity for hearing to have committed any flagrant or repeated violation of section 2, but this provision shall not apply to any case in which the license of the person found to have committed such violation was suspended and the suspension period has expired or is not in effect; or

"(3) against whom there is an unpaid reparation award issued within two years, subject to his right of appeal under section 7(c).



7 USC 499b.

Ante, p. 675.  
7 USC 499g.

The Secretary may approve such employment at any time following nonpayment of a reparation award, or after one year following the revocation or finding of flagrant or repeated violation of section 2, if the licensee furnishes and maintains a surety bond in form and amount satisfactory to the Secretary as assurance that such licensee's business will be conducted in accordance with this Act and that the licensee will pay all reparation awards, subject to its right of appeal under section 7(c), which may be issued against it in connection with transactions occurring within four years following the approval. The Secretary may approve employment without a surety bond after the expiration of two years from the effective date of the applicable disciplinary order. The Secretary, based on changes in the nature and volume of business conducted by the licensee, may require an increase or authorize a reduction in the amount of the bond. A licensee who is notified by the Secretary to provide a bond in an increased amount shall do so within a reasonable time to be specified by the Secretary, and if the licensee fails to do so the approval of employment shall automatically terminate. The Secretary may, after thirty days' notice and an opportunity for a hearing, suspend or revoke the license of any licensee who, after the date given in such notice, continues to employ any person in violation of this section."

SEC. 12. The Act of June 10, 1933 (48 Stat. 123; 7 U.S.C. 581-589), popularly known as the Export Apple and Pear Act, is amended by adding at the end thereof a new section as follows:

Appropriation.

"Sec. 10. There are hereby authorized to be appropriated such sums as may be necessary for the administration of this Act."

Approved October 1, 1962.

## Public Law 87-726

October 1, 1962  
[H. J. Res. 730]

### JOINT RESOLUTION

To authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week.

Whereas the police officers of America have worked devotedly and selflessly in behalf of the people of this Nation, regardless of the peril or hazard to themselves; and

Whereas these officers have safeguarded the lives and property of their fellow Americans; and

Whereas by the enforcement of our laws, these same officers have given our country internal freedom from fear of the violence and civil disorder that is presently affecting other nations; and

Whereas these men and women by their patriotic service and their dedicated efforts have earned the gratitude of the Republic: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President is authorized and requested to issue proclamations (1) designating May 15 of each year as Peace Officers Memorial Day in honor of the Federal, State, and municipal officers who have been killed or disabled in the line of duty, (2) designating in each year the calendar week during which such May 15 occurs as Police Week, in recognition of the service given by the men and women who, night and day, stand guard in our midst to protect us through enforcement of our laws, and (3) inviting the governments of the States and communities and the people of the United States to observe such day and week with appropriate ceremonies and activities.

Peace Officers  
Memorial Day.

Police Week.

Approved October 1, 1962.

## Public Law 87-727

## AN ACT

October 1, 1962  
[S. 1023]

To amend the Act of August 20, 1954 (68 Stat. 752), in order to provide for the construction, operation, and maintenance of additional features of the Talent division of the Rogue River Basin reclamation project, Oregon.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in addition to the works described in section 1 of the Act of August 20, 1954 (68 Stat. 752), the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain as a part of the Talent division of the Rogue River Basin project, Oregon, the following works: Agate Dam and Reservoir, a diversion dam, feeder canals, and related facilities.

Agate Dam and Reservoir, Oregon. Construction authority. 43 USC 371 note.

SEC. 2. (a) The Secretary of the Interior is authorized, in connection with the works authorized by this Act, to construct minimum basic public recreation facilities and to arrange for the operation and maintenance of the same by an appropriate State or local agency or organization. The cost of constructing such facilities shall be non-reimbursable and nonreturnable under the reclamation laws.

Recreation facilities.

(b) The Secretary may make such reasonable provision in the works authorized by this Act as he finds to be required for the conservation and development of fish and wildlife in accordance with the provisions of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C., sec. 661, and the following), and the portion of the construction costs allocated to these purposes together with an appropriate share of the operation, maintenance, and replacement costs therefor, shall be nonreimbursable and nonreturnable.

Fish and wildlife.

60 Stat. 1080.

SEC. 3. (a) Section 3 of the Act of August 20, 1954, *supra*, is amended by inserting after the figure "\$22,900,000" the following: "and for the construction of Agate Dam and Reservoir the sum of \$1,802,000 (January 1960 costs), in each case".

(b) Section 2, subsection (c) of said Act is amended by deleting the final period and adding to the last sentence "from the date when each irrigation repayment contract becomes effective."

Approved October 1, 1962.

## Public Law 87-728

## AN ACT

October 1, 1962  
[H. R. 11164]

To approve an amendatory repayment contract negotiated with the Quincy Columbia Basin Irrigation District, authorize similar contracts with any of the Columbia Basin Irrigation Districts, and to amend the Columbia Basin Project Act of 1943 (57 Stat. 14), as amended, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the amendatory repayment contract with the Quincy Columbia Basin Irrigation District negotiated by the Secretary of the Interior, pursuant to subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1192; 43 U.S.C. 485f), which contract was approved by the district electors on February 13, 1962, is hereby approved and the Secretary is hereby authorized to execute it on behalf of the United States and to negotiate and execute on behalf of the United States amendatory repayment contracts in substantially the same form or amendatory repayment contracts containing substantially the same provisions with the South and East Columbia Basin Irrigation Districts.

Quincy Columbia Basin Irrigation District. Repayment contracts.

SEC. 2. Upon any amendatory repayment contract with a Columbia Basin Irrigation District approved or authorized by this Act becoming effective to bind the United States, that district's share of the operation and maintenance funds expended or obligated for the construction of drainage works including appropriate interest thereon during calendar years 1960, 1961, and 1962 shall be capitalized and charged as a part of the construction cost of the project works assigned directly to irrigation and the Secretary shall either refund to it or give it credit for (as it may elect) all operation and maintenance payments (including interest paid by it in connection therewith) which it has made for the construction of drainage works during those years, such credit, if so elected by the district, to be applied against future development period and/or construction charges of the district as they become due.

SEC. 3. The Columbia Basin project shall be governed by the Federal reclamation laws, being the Act of June 17, 1902 (32 Stat. 388), and all Acts amendatory thereof or supplementary thereto, except that sections 2, 3, 7, and 9 of the Columbia Basin Project Act of March 10, 1943 (57 Stat. 14), as amended, are hereby repealed and section 4 of the Columbia Basin Project Act, as amended, is further amended to read as follows:

"SEC. 4. (a) For the purposes of assisting in the permanent settlement of farm families, protecting project land, and facilitating project development, the Secretary is authorized to administer public lands of the United States in the project area and lands acquired under this section; to sell, exchange, or lease such lands; to dedicate portions of such lands for public purposes in keeping with sound project development; to acquire in the name of the United States, at prices satisfactory to him, such lands or interests in lands, within or adjacent to the project area, as he deems appropriate for the protection, development, or improvement of the project; and to accept donations of real and personal property for the purposes of this Act. Any moneys realized on account of donations for purposes of this Act shall be covered into the Treasury as trust funds.

"(b) Contracts, exchanges, and leases made under this section shall be on terms that, in the Secretary's judgment, are in keeping with sound project development. In addition, land sale and exchange contracts shall be on a basis that, in the Secretary's judgment, provides for the return, in a reasonable period of years, of not less than the appraised value of the land and improvements thereon. Qualification of applicants for the purchase of land for irrigation farming shall be prescribed as provided in subsection (c) of section 4 of the Act of December 5, 1924 (43 Stat. 702), notwithstanding any other provisions of law. No farm unit shall be sold to, and no contract to sell a farm unit shall be entered into with, any person, corporation, or joint-stock association which has theretofore purchased or entered into a contract to purchase a farm unit from the United States on the Columbia Basin project. The foregoing provisions of this paragraph shall apply only to the sale of farm units which are suitable for settlement purposes. Farm units which, in the opinion of the Secretary, are not suitable for settlement purposes may be sold with a preference to resident project landowners as supplemental units, subject to the applicable irrigable acreage limitations on the delivery of water, but the purchasers thereof shall not be entitled to benefits of the Act of August 13, 1953 (67 Stat. 566) with respect thereto."

43 USC 371  
note.

16 USC 835a,  
835b, 835c-3,  
835c-5.  
16 USC 835c.

Secretary of  
Interior.  
Authority.

43 USC 433.

43 USC 451 et  
seq.

SEC. 4. The Secretary is hereby authorized and directed to amend or modify all existing contracts, instruments, rules, regulations, forms, and procedures entered into or issued under the Columbia Basin Project Act, as amended (16 U.S.C., chap. 12D) prior to the date of enactment of this Act to conform to the provisions of this Act.

Existing contracts, modification.

57 Stat. 14.

SEC. 5. (a) Notwithstanding the provisions of the Federal reclamation laws, water may be delivered to a farm unit platted before the enactment of this Act that contains a nominal quarter section of land exceeding one hundred and sixty irrigable acres insofar as those provisions limit the delivery of water to irrigable lands in excess of one hundred and sixty irrigable acres.

Water delivery to quarter sections.

(b) The rights of any vendee or grantee as defined in section 3 of the Columbia Basin Project Act of 1943 are hereby preserved as to any transactions that were consummated by contract or deed prior to repeal of said section 3 by this Act.

16 USC 835b.

SEC. 6. The following sections of the Columbia Basin Project Act of March 10, 1943, are hereby amended in the following respects:

(a) Section 5(b). Delete the last sentence thereof.

16 USC 835c-1.

(b) Section 6. Delete "under section 2 hereof" and insert in lieu thereof the words "for the repayment thereof".

16 USC 835c-2.

(c) Section 8. Delete "and to include in the contracts hereinbefore provided for" and insert in lieu thereof the words "and to include in contracts relating to the Columbia Basin project".

16 USC 835c-4.

SEC. 7. The Act of June 23, 1959 (73 Stat. 87) is hereby amended to permit delivery of water to not to exceed six hundred and forty acres of irrigable lands whether or not said lands are in conformed farm units, owned by the State of Washington for use by the Washington State University for agricultural research purposes.

Water delivery to State-owned land.  
16 USC 835a note.

Approved October 1, 1962.

## Public Law 87-729

### AN ACT

To amend the Manpower Development and Training Act of 1962 with regard to reimbursement of the railroad unemployment insurance account.

October 1, 1962  
[S. 3529]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (h) of section 203 of the Manpower Development and Training Act of 1962 is amended, effective March 15, 1962, by inserting "(1)" after the subsection designation, and by adding at the end of such subsection the following new paragraph:

Railroad unemployment insurance account, reimbursement.  
*Ante*, p. 27.

"(2) If unemployment benefits under the Railroad Unemployment Insurance Act are paid to a person taking training under this Act and eligible for a training allowance, the railroad unemployment insurance account in the unemployment trust fund shall be reimbursed, from funds herein appropriated, for all of such benefits paid prior to July 1, 1964, and for 50 per centum of the amount of such benefits paid on or after that date. The amount of such reimbursement shall be determined by the Secretary of Labor on the basis of reports furnished to him by the Railroad Retirement Board and such amount shall then be placed in the railroad unemployment insurance account."

52 Stat. 1094.  
45 USC 367.

Approved October 1, 1962.

## Public Law 87-730

October 2, 1962  
[H. R. 11151]

## AN ACT

Making appropriations for the Legislative Branch for the fiscal year ending June 30, 1963, and for other purposes.

Legislative  
Branch Appropri-  
ation Act, 1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch for the fiscal year ending June 30, 1963, and for other purposes, namely:

## SENATE

COMPENSATION OF THE VICE PRESIDENT AND SENATORS, MILEAGE OF THE PRESIDENT OF THE SENATE AND SENATORS, AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE

## COMPENSATION OF THE VICE PRESIDENT AND SENATORS

For compensation of the Vice President and Senators of the United States, \$2,471,140.

## MILEAGE OF PRESIDENT OF THE SENATE AND OF SENATORS

For mileage of the President of the Senate and of Senators, \$58,370.

## EXPENSE ALLOWANCES OF THE VICE PRESIDENT, AND MAJORITY AND MINORITY LEADERS

For expense allowance of the Vice President, \$10,000; Majority Leader of the Senate, \$2,000; and Minority Leader of the Senate, \$2,000; in all, \$14,000.

## SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

## OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, at rates of compensation to be fixed by him in basic multiples of \$5 per month, \$127,645.

## CHAPLAIN

Chaplain of the Senate, \$8,810.

## OFFICE OF THE SECRETARY

For office of the Secretary, \$720,460: *Provided*, That effective July 1, 1962, the Secretary may appoint and fix the compensation of a second assistant parliamentarian at not to exceed \$5,700 basic per annum.

## COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees, and the Select Committee on Small Business, \$2,551,200.

## CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, \$77,325.

For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, \$77,325.

## ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

For administrative and clerical assistants and messenger service for Senators, \$12,676,275.

## OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For office of Sergeant at Arms and Doorkeeper, \$2,522,780: *Provided*, That effective July 1, 1962, the Sergeant at Arms may employ a chief messenger at \$2,460 basic per annum, and a truck driver at \$2,700 basic per annum.

## OFFICES OF THE SECRETARIES FOR THE MAJORITY AND THE MINORITY

For the offices of the Secretary for the Majority and the Secretary for the Minority, \$126,350.

## OFFICES OF THE MAJORITY AND MINORITY WHIPS

For four clerical assistants, two for the Majority Whip and two for the Minority Whip, at rates of compensation to be fixed in basic multiples of \$60 per annum by the respective Whips, \$14,170 each; in all, \$28,340.

## OFFICIAL REPORTERS OF DEBATES

For office of the Official Reporters of Debates, \$214,990.

## OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, \$232,240.

## CONTINGENT EXPENSES OF THE SENATE

## LEGISLATIVE REORGANIZATION

For salaries and expenses, legislative reorganization, \$125,940.

## SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, \$163,975 for each such committee; in all, \$327,950.

## JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, \$250,000.

## JOINT COMMITTEE ON ATOMIC ENERGY

For salaries and expenses of the Joint Committee on Atomic Energy, \$294,010.

## JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, \$114,125; for expenses of compiling, preparing, and indexing the Congressional Directory, \$1,600; in all, \$115,725.

## AUTOMOBILES AND MAINTENANCE

For purchase, exchange, driving, maintenance, and operation of four automobiles, one for the Vice President, one for the President Pro Tempore, one for the Majority Leader, and one for the Minority Leader, \$36,000.

## FURNITURE

For service and materials in cleaning and repairing furniture, and for the purchase of furniture, \$31,190, and an additional amount for furniture, fiscal year 1962, \$8,340: *Provided*, That the furniture purchased is not available from other agencies of the Government.

## INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including \$380,000 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, \$3,797,210.

60 Stat. 831.  
2 USC 190b.

## FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding \$1.90 per hour per person, \$34,295.

## MAIL TRANSPORTATION

For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$16,560.

## MISCELLANEOUS ITEMS

For miscellaneous items, exclusive of labor, \$2,390,565, including \$85,000 for payment to the Architect of the Capitol in accordance with section 4 of Public Law 87-82, approved July 6, 1961.

75 Stat. 199.  
40 USC 174j-4.

## POSTAGE STAMPS

For postage stamps for the offices of the Secretaries for the Majority and Minority, \$140; and for airmail and special-delivery stamps for office of the Secretary, \$160; office of the Sergeant at Arms, \$125; Senators and the President of the Senate, as authorized by law, \$55,550; in all, \$55,975.

## STATIONERY (REVOLVING FUND)

For stationery for Senators and the President of the Senate, \$181,800; and for stationery for committees and officers of the Senate, \$13,200; in all, \$195,000, to remain available until expended.

## COMMUNICATIONS

For an amount for communications which may be expended interchangeably for payment, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, such telephone calls to be in addition to those authorized by the provisions of the Legislative Branch Appropriation Act, 1947 (60 Stat. 392; 2 U.S.C. 46c, 46d, 46e), as amended, and the First Deficiency Appropriation Act, 1949 (63 Stat. 77; 2 U.S.C. 46d-1), \$15,150.

70 Stat. 360;  
72 Stat. 442.

## HOUSE OF REPRESENTATIVES

SALARIES, MILEAGE FOR THE MEMBERS, AND EXPENSE ALLOWANCE OF  
THE SPEAKER

## COMPENSATION OF MEMBERS

For compensation of Members (wherever used herein the term "Member" shall include Members of the House of Representatives and the Resident Commissioner from Puerto Rico), \$10,672,000.

## MILEAGE OF MEMBERS AND EXPENSE ALLOWANCE OF THE SPEAKER

For mileage of Members and expense allowance of the Speaker, as authorized by law, \$200,000.

## SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers and employees, as authorized by law, as follows:

## OFFICE OF THE SPEAKER

For the Office of the Speaker, \$83,710.

## OFFICE OF THE PARLIAMENTARIAN

For the Office of the Parliamentarian, including \$2,000 for preparing the Digest of the Rules, \$64,635.

## OFFICE OF THE CHAPLAIN

For the Office of the Chaplain, \$8,810.

## OFFICE OF THE CLERK

For the Office of the Clerk, including \$119,000 for the House Recording Studio, \$1,154,490.

## COMMITTEE EMPLOYEES

For committee employees, including the Committee on Appropriations, \$2,925,000.

## OFFICE OF THE SERGEANT AT ARMS

For the Office of the Sergeant at Arms, including \$8,000 for additional clerical assistants, \$618,150.

## OFFICE OF THE DOORKEEPER

For the Office of the Doorkeeper, \$1,059,325.

## SPECIAL AND MINORITY EMPLOYEES

For six minority employees, \$88,405.

For the office of the majority floor leader, including \$2,000 for official expenses of the majority leader, \$72,805.

For the office of the minority floor leader, including \$2,000 for official expenses of the minority leader, \$56,295.

For the office of the majority whip, \$29,720.

For the office of the minority whip, \$29,720.



For two printing clerks, one for the majority caucus room and one for the minority caucus room, to be appointed by the majority and minority leaders, respectively, \$13,565.

For a technical assistant in the office of the attending physician, to be appointed by the attending physician, subject to the approval of the Speaker, \$11,535.

#### OFFICE OF THE POSTMASTER

For the Office of the Postmaster, including \$9,100 for employment of substitute messengers, and extra services of regular employees when required at the basic salary rate of not to exceed \$2,100 per annum each, \$326,125.

#### OFFICIAL REPORTERS OF DEBATES

For official reporters of debates, \$202,915.

#### OFFICIAL REPORTERS TO COMMITTEES

For official reporters to committees, \$204,995.

#### COMMITTEE ON APPROPRIATIONS

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, \$600,000.

60 Stat. 834.  
2 USC 72a.

#### OFFICE OF THE LEGISLATIVE COUNSEL

For salaries and expenses of the Office of the Legislative Counsel of the House, \$229,000.

#### MEMBERS' CLERK HIRE

For clerk hire, necessarily employed by each Member in the discharge of his official and representative duties, \$20,400,000.

#### CONTINGENT EXPENSES OF THE HOUSE

##### FURNITURE

For furniture and materials for repairs of the same, including labor, tools, and machinery for furniture repair shops, and for the purchase of packing boxes, \$262,550.

#### MISCELLANEOUS ITEMS

For miscellaneous items, exclusive of salaries unless specifically ordered by the House of Representatives, including the sum of \$60,000 for payment to the Architect of the Capitol in accordance with section 208 of the Act approved October 9, 1940 (Public Law 812); the exchange, operation, maintenance, and repair of the Clerk's motor vehicles; the exchange, operation, maintenance, and repair of the folding room motortruck; the exchange, maintenance, operation, and repair of the post office motor vehicles for carrying the mails; not to exceed \$5,000 for the purposes authorized by section 1 of House Resolution 348, approved June 29, 1961; the sum of \$600 for hire of automobile for the Sergeant at Arms; materials for folding; and for

54 Stat. 1056.  
40 USC 174k.

stationery for the use of committees, departments, and officers of the House; \$2,600,000, of which such amount as may be necessary may be transferred to the appropriation under this heading for the fiscal year 1962.

#### REPORTING HEARINGS

For stenographic reports of hearings of committees other than special and select committees, \$150,000, of which such amount as may be necessary may be transferred to the appropriation under such heading for the fiscal year 1962.

#### SPECIAL AND SELECT COMMITTEES

For salaries and expenses of special and select committees authorized by the House, \$2,935,000, of which such amount as may be necessary may be transferred to the appropriation under such heading for the fiscal year 1962.

#### JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

For salaries and expenses of the Joint Committee on Internal Revenue Taxation, \$322,500.

#### JOINT COMMITTEE ON IMMIGRATION AND NATIONALITY POLICY

For salaries and expenses of the Joint Committee on Immigration and Nationality Policy, \$20,000.

#### JOINT COMMITTEE ON DEFENSE PRODUCTION

For all necessary expenses of the Joint Committee on Defense Production as authorized by the Defense Production Act of 1950, as amended, \$65,000.

64 Stat. 798.  
50 USC app.  
2061.

#### OFFICE OF THE COORDINATOR OF INFORMATION

For salaries and expenses of the Office of the Coordinator of Information, \$113,875.

#### TELEGRAPH AND TELEPHONE

For telegraph and telephone service, exclusive of personal services, \$1,350,000, of which such amount as may be necessary may be transferred to the appropriation under this head for the fiscal year 1962.

#### STATIONERY (REVOLVING FUND)

For a stationery allowance of \$1,800 for each Member for the first session of the Eighty-eighth Congress, \$788,400, to remain available until expended.

#### ATTENDING PHYSICIAN'S OFFICE

For medical supplies, equipment, and contingent expenses of the emergency room and for the attending physician and his assistants, including an allowance of \$1,500 to be paid to the attending physician in equal monthly installments as authorized by the Act approved June 27, 1940 (54 Stat. 629), and including an allowance of \$75 per month each to five assistants as provided by the House resolutions adopted July 1, 1930, January 20, 1932, November 18, 1940, and May 21, 1959, and Public Law 242, Eighty-fourth Congress, \$16,545.

69 Stat. 499.

## POSTAGE STAMPS

Postage stamp allowances for the first session of the Eighty-eighth Congress, as follows: Postmaster, \$320; Clerk, \$640; Sergeant at Arms, \$480; Doorkeeper, \$400; airmail and special-delivery postage stamps for each Member, the Speaker, the majority and minority leaders, the majority and minority whips, and to each standing committee, as authorized by law; \$183,640.

## FOLDING DOCUMENTS

For folding speeches and pamphlets, at a gross rate not exceeding \$2.54 per thousand or for the employment of personnel at a gross rate not exceeding \$1.91 per hour per person, \$240,000.

## REVISION OF LAWS

61 Stat. 637,  
638, 640.

For preparation and editing of the laws as authorized by 1 U.S.C. 202, 203, 213, \$19,515, to be expended under the direction of the Committee on the Judiciary.

## SPEAKER'S AUTOMOBILE

For purchase, exchange, hire, driving, maintenance, repair, and operation of an automobile for the Speaker, \$10,000.

## MAJORITY LEADER'S AUTOMOBILE

For purchase, exchange, hire, driving, maintenance, repair, and operation of an automobile for the majority leader of the House, \$10,000.

## MINORITY LEADER'S AUTOMOBILE

For purchase, exchange, hire, driving, maintenance, repair, and operation of an automobile for the minority leader of the House, \$10,000.

## PORTRAIT OF SPEAKER

For the procurement of a portrait of Honorable John W. McCormack, Speaker of the House of Representatives, \$2,500, to remain available until expended, and to be disbursed by the Clerk of the House under the direction of the Speaker.

## ADMINISTRATIVE PROVISIONS

Salaries or wages paid out of the items herein for the House of Representatives shall hereafter be computed at basic rates, plus increased and additional compensation, as authorized and provided by law.

Notwithstanding any other provision of law, the Sergeant at Arms of the House is authorized and directed on and after the date of enactment of this Act to make such arrangements as may be necessary for any committee of Members of the Senate and House of Representatives duly appointed to attend the funeral of a deceased Member of the House. Notwithstanding any other provision of law, there shall be paid out of the contingent fund of the House, under such rules and regulations as the Committee on House Administration may prescribe, such sums as may be necessary to defray the funeral expenses of the deceased Member and to defray the expenses of such committee, the Sergeant at Arms of the House or a representative of his office, and the widow (or widower) or minor children, or both, of the deceased Member incurred in attending the funeral rites and burial of such Member.

## CAPITOL POLICE

## GENERAL EXPENSES

For purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including \$25 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House, as may be designated by the Chairman of the Board; \$36,700.

## CAPITOL POLICE BOARD

To enable the Capitol Police Board to provide additional protection for the Capitol Buildings and Grounds, including the Senate and House Office Buildings and the Capitol Power Plant, \$129,500. Such sum shall be expended only for payment of salaries and other expenses of personnel detailed from the Metropolitan Police of the District of Columbia, and the Commissioners of the District of Columbia are authorized and directed to make such details upon the request of the Board. Personnel so detailed shall, during the period of such detail, serve under the direction and instructions of the Board and are authorized to exercise the same authority as members of such Metropolitan Police and members of the Capitol Police and to perform such other duties as may be assigned by the Board. Reimbursement for salaries and other expenses of such detail personnel shall be made to the government of the District of Columbia, and any sums so reimbursed shall be credited to the appropriation or appropriations from which such salaries and expenses are payable and shall be available for all the purposes thereof: *Provided*, That any person detailed under the authority of this paragraph or under similar authority in the Legislative Branch Appropriation Act, 1942, and the Second Deficiency Appropriation Act, 1940, from the Metropolitan Police of the District of Columbia shall be deemed a member of such Metropolitan Police during the period or periods of any such detail for all purposes of rank, pay, allowances, privileges, and benefits to the same extent as though such detail had not been made, and at the termination thereof any such person who was a member of such police on July 1, 1940, shall have a status with respect to rank, pay, allowances, privileges, and benefits which is not less than the status of such person in such police at the end of such detail: *Provided further*, That the Commissioners of the District of Columbia are directed to pay the captain and the lieutenant detailed under the authority of this paragraph the same salary as that paid the two lieutenants so detailed in fiscal year 1955 plus \$625 and such increase in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents and that the Commissioners of the District of Columbia are directed to pay the deputy chief detailed under the authority of this paragraph the same salary as that paid in fiscal year 1961 plus \$1,025 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent and that the Commissioners of the District of Columbia are directed to pay the uniformed lieutenant detailed under the authority of this paragraph and serving as acting captain a salary of the rank of captain and such increases in basic compensation as may be subsequently provided by law.

The foregoing amounts under "Capitol Police" shall be disbursed by the Clerk of the House.

55 Stat. 456.  
54 Stat. 629;  
60 Stat. 408.  
40 USC 213a  
and note.

### JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

For an amount to enable the Joint Committee on Reduction of Non-essential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, \$26,790, to be disbursed by the Secretary of the Senate.

### EDUCATION OF PAGES

For education of congressional pages and pages of the Supreme Court, pursuant to section 243 of the Legislative Reorganization Act, 1946, \$68,365, which amount shall be advanced and credited to the applicable appropriation of the District of Columbia, and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services in accordance with such rates of compensation as the Board of Education may prescribe.

60 Stat. 839.  
2 USC 88a.

### PENALTY MAIL COSTS

For expenses necessary under section 2 of Public Law 286, Eighty-third Congress, \$3,986,000, to be available immediately.

67 Stat. 614.  
39 USC 4167  
and note.

### STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the second session of the Eighty-seventh Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills as required by law, \$8,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

### ARCHITECT OF THE CAPITOL

#### OFFICE OF THE ARCHITECT OF THE CAPITOL

##### SALARIES

For the Architect of the Capitol, Assistant Architect of the Capitol, and Second Assistant Architect of the Capitol, at salary rates of \$20,700, \$19,000, and \$17,500 per annum, respectively, and other personal services at rates of pay provided by law; and hereafter the Assistant Architect of the Capitol shall act as Architect of the Capitol during the absence or disability of that official or whenever there is no Architect, and, in case of the absence or disability of the Assistant Architect, the Second Assistant Architect of the Capitol shall so act; \$363,000.

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of \$20,000.

##### CONTINGENT EXPENSES

To enable the Architect of the Capitol to make surveys and studies and to meet unforeseen expenses in connection with activities under his care, \$50,000.

## CAPITOL BUILDINGS AND GROUNDS

## CAPITOL BUILDINGS

For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including minor improvements, maintenance, repair, equipment, supplies, material, fuel, oil, waste, and appurtenances; furnishings and office equipment; special and protective clothing for workmen; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); personal and other services; cleaning and repairing works of art, without regard to section 3709 of the Revised Statutes, as amended; purchase or exchange, maintenance and operation of a passenger motor vehicle; purchase of necessary reference books and periodicals; not to exceed \$500 for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, \$1,282,000: *Provided*, That not to exceed \$385,000 of the unobligated balance of the appropriation under this head for the fiscal year 1962 is hereby continued available until June 30, 1963.

68 Stat. 1114.  
41 USC 5.

## EXTENSION OF THE CAPITOL

For an additional amount for "Extension of the Capitol", \$500,000.

## CAPITOL GROUNDS

For care and improvement of grounds surrounding the Capitol, Senate and House Office Buildings; Capitol Power Plant; personal and other services; care of trees; planting; fertilizers; repairs to pavements, walks, and roadways; waterproof wearing apparel; maintenance of signal lights; and for snow removal by hire of men and equipment or under contract without regard to section 3709 of the Revised Statutes, as amended; \$435,000.

41 USC 5.

## SENATE OFFICE BUILDINGS

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; including eight female attendants in charge of ladies' retiring rooms at \$1,800 each; for the care and operation of the Senate Office Buildings, including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); to be expended under the control and supervision of the Architect of the Capitol; in all, \$2,235,000.

68 Stat. 1114.

## LEGISLATIVE GARAGE

For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, \$63,000.

## HOUSE OFFICE BUILDINGS

For maintenance, including equipment; waterproof wearing apparel; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); prevention and

41 USC 5. eradication of insect and other pests without regard to section 3709 of the Revised Statutes, as amended; miscellaneous items; and for all necessary services; \$1,703,000.

#### ACQUISITION OF PROPERTY, CONSTRUCTION, AND EQUIPMENT, ADDITIONAL HOUSE OFFICE BUILDING

40 USC 175 note. To enable the Architect of the Capitol, under the direction of the House Office Building Commission, to continue to provide for the acquisition of property, construction, and equipment of an additional fireproof office building for the use of the House of Representatives, and other changes and improvements, authorized by the Additional House Office Building Act of 1955 (69 Stat. 41, 42), \$8,500,000.

#### CAPITOL POWER PLANT

For lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Supreme Court Building, Congressional Library Buildings, and the grounds about the same, Botanic Garden, legislative garage, and for air-conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office, Washington City Post Office, and Folger Shakespeare Library, reimbursement for which shall be made and covered into the Treasury; personal and other services, fuel, oil, materials, waterproof wearing apparel, and all other necessary expenses in connection with the maintenance and operation of the plant; \$2,052,000.

#### LIBRARY BUILDINGS AND GROUNDS

##### STRUCTURAL AND MECHANICAL CARE

41 USC 5. For necessary expenditures for mechanical and structural maintenance, including improvements, equipment, supplies, waterproof wearing apparel, and personal and other services, \$844,500, of which not to exceed \$20,000 shall be available for expenditure without regard to section 3709 of the Revised Statutes, as amended: *Provided*, That the unobligated balance of the appropriation under this head for the fiscal year 1962 is hereby continued available until June 30, 1963.

#### FURNITURE AND FURNISHINGS

For furniture, partitions, screens, shelving, and electrical work pertaining thereto and repairs thereof, office and library equipment, apparatus, and labor-saving devices, \$225,000.

#### BOTANIC GARDEN

##### SALARIES AND EXPENSES

For all necessary expenses incident to maintaining, operating, repairing, and improving the Botanic Garden and the nurseries, buildings, grounds, collections, and equipment pertaining thereto, including personal services; waterproof wearing apparel; not to exceed \$25 for emergency medical supplies; traveling expenses, including bus fares, not to exceed \$275; the prevention and eradication of insect and other pests and plant diseases by purchase of materials and procurement of personal services by contract without regard to the provisions of any other Act; purchase and exchange of motor trucks; purchase and exchange, maintenance, repair, and operation of a passenger motor

vehicle; purchase of botanical books, periodicals, and books of reference, not to exceed \$100; all under the direction of the Joint Committee on the Library; \$452,000: *Provided*, That not to exceed \$62,000 of the unobligated balance of the appropriation under this head for the fiscal year 1962 is hereby continued available until June 30, 1964.

## LIBRARY OF CONGRESS

### SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including development and maintenance of the Union Catalogs; custody, care, and maintenance of the Library Buildings; special clothing; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board; \$9,810,430: *Provided*, That not to exceed \$67,000 of the unobligated balance of the appropriation under this head for the fiscal year 1962 is hereby continued available until June 30, 1963: *Provided further*, That not to exceed \$1,100,000 shall be available for reimbursement to the General Services Administration for alterations, including air conditioning, of space to be occupied by the Library of Congress in the Naval Weapons Plant.

### COPYRIGHT OFFICE

#### SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, \$1,619,700.

### LEGISLATIVE REFERENCE SERVICE

#### SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 166), \$1,870,000: *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration.

60 Stat. 836.

### DISTRIBUTION OF CATALOG CARDS

#### SALARIES AND EXPENSES

For necessary expenses for the preparation and distribution of catalog cards and other publications of the Library, \$2,700,700.

### BOOKS FOR THE GENERAL COLLECTIONS

For necessary expenses (except personal services) for acquisition of books, periodicals, and newspapers, and all other material for the increase of the Library, \$570,000, to remain available until expended.

### BOOKS FOR THE LAW LIBRARY

For necessary expenses (except personal services) for acquisition of books, legal periodicals, and all other material for the increase of the law library, \$110,000, to remain available until expended.



## BOOKS FOR THE BLIND

## SALARIES AND EXPENSES

46 Stat. 1487;  
71 Stat. 630.

For necessary salaries and expenses to carry out the provisions of the Act approved March 3, 1931 (2 U.S.C. 135a), as amended, \$1,884,700.

## ORGANIZING AND MICROFILMING THE PAPERS OF THE PRESIDENTS

## SALARIES AND EXPENSES

2 USC 131  
note.

For necessary expenses to carry out the provisions of the Act of August 16, 1957 (71 Stat. 368), \$112,800, to remain available until expended.

## PRESERVATION OF EARLY AMERICAN MOTION PICTURES

For necessary expenses to enable the Librarian of Congress to provide for the conversion to safety base film of the George Kleine Collection of nitrate film, and the paper prints of early American motion pictures now in the custody of the Library, \$60,600.

## COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS

## (SPECIAL FOREIGN CURRENCY PROGRAM)

72 Stat. 1790.

For necessary expenses for carrying out the provisions of section 104(n) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(n)), to remain available until expended, \$678,000, of which \$630,000 shall be available for the purchase of foreign currencies which accrue under that Act and which the Treasury Department shall determine to be excess to the normal requirements of the United States.

## INDEXING AND MICROFILMING THE RUSSIAN ORTHODOX GREEK CATHOLIC CHURCH RECORDS IN ALASKA

For necessary expenses to carry out the provisions of the Act of July 31, 1961 (75 Stat. 241), \$15,000, to remain available until expended.

## ADMINISTRATIVE PROVISIONS

60 Stat. 810.

Appropriations in this Act available to the Library of Congress for salaries shall be available for expenses of investigating the loyalty of Library employees; special and temporary services (including employees engaged by the day or hour or in piecework); and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

Not to exceed ten positions in the Library of Congress may be exempt from the provisions of appropriation Acts concerning the employment of aliens during the current fiscal year, but the Librarian shall not make any appointment to any such position until he has ascertained that he cannot secure for such appointments a person in any of the categories specified in such provisions who possesses the special qualifications for the particular position and also otherwise meets the general requirements for employment in the Library of Congress.

## GOVERNMENT PRINTING OFFICE

## PRINTING AND BINDING

For authorized printing and binding for the Congress; not to exceed \$7,500 for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 182); printing, binding, and distribution of the Federal Register (including the Code of Federal Regulations) as authorized by law (44 U.S.C. 309, 311, 311a); and printing and binding of Government publications authorized by law to be distributed without charge to the recipients; \$15,200,000: *Provided*, That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture): *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.

49 Stat. 1546.

49 Stat. 502;  
67 Stat. 388;  
56 Stat. 1045.

## OFFICE OF SUPERINTENDENT OF DOCUMENTS

## SALARIES AND EXPENSES

For necessary expenses of the Office of Superintendent of Documents, including compensation of all employees in accordance with the Act entitled "An Act to regulate and fix rates of pay for employees and officers of the Government Printing Office", approved June 7, 1924 (44 U.S.C. 40); travel expenses (not to exceed \$1,500); price lists and bibliographies; repairs to buildings, elevators, and machinery; and supplying books to depository libraries; \$4,683,600: *Provided*, That \$200,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), with the approval of the Public Printer, only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments.

43 Stat. 658.

## ACQUISITION OF SITE AND CONSTRUCTION OF ANNEX

For necessary expenses in carrying out the provisions of the Act approved October 4, 1961 (Public Law 87-373), \$6,450,000, to remain available until expended, and to be available for transfer to the Administrator of General Services.

75 Stat. 803.  
44 USC 61 note.

## GENERAL PROVISIONS

SEC. 102. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles.

SEC. 103. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided*, That the provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto: *Provided further*, That the provisions relating to positions and salaries thereof carried in House Resolutions 331, 341, 348, 402, 449,

46 Stat. 32.  
2 USC 60a note.

487, 509, and 560 of the Eighty-seventh Congress shall be the permanent law with respect thereto: *Provided further*, That the provisions of House Resolution 476 of the Eighty-seventh Congress shall be the permanent law with respect thereto.

SEC. 104. No part of any appropriation contained in this Act shall be paid as compensation to any person appointed after June 30, 1935, as an officer or member of the Capitol Police who does not meet the standards to be prescribed for such appointees by the Capitol Police Board: *Provided*, That the Capitol Police Board is hereby authorized to detail police from the House Office, Senate Office, and Capitol Buildings for police duty on the Capitol Grounds.

74 Stat. 663.

SEC. 105. No part of any amount appropriated in this Act shall be available to finance, under authority of section 4167 (a) of title 39, United States Code, the mailing and delivering of mail matter sent through the mails with a simplified form of address under the franking privilege by any Member or Member-elect of Congress to postal patrons, including those patrons on rural or star routes.

SEC. 106. (a) This section shall apply to—

(1) Each employee of the Senate whose compensation is paid from the appropriation for Salaries, Officers and Employees under the heading "Office of the Secretary", except the Assistant to the Majority, and the Assistant to the Minority.

(2) Each employee of the Senate whose compensation is paid from such appropriation under the heading "Office of Sergeant at Arms and Doorkeeper", except employees designated on the rolls as "special employees".

(3) Each employee of the Senate whose compensation is paid from such appropriation under the heading "Official Reporters of Debates".

(4) Each employee of the Senate whose compensation is paid from such appropriation under the heading "Offices of the Secretaries for the Majority and the Minority".

(5) Each employee of the Senate authorized by Senate resolution to be appointed by the Secretary or Sergeant at Arms, except employees designated on the rolls as "special employees".

(6) Telephone operators, including the chief operator and assistant chief operators, on the United States Capitol telephone exchange.

(7) Members of the Capitol Police.

"Longevity  
compensation."

(b) An employee to whom this section applies shall be paid during any period of continuous service as such an employee additional basic compensation (hereinafter referred to as "longevity compensation") at the rate of \$120 per annum if at the time of such payment the annual rate of basic compensation (exclusive of longevity compensation) of the position in which employed is less than \$1,800, or \$180 per annum if at such time such rate is \$1,800 or more, for each five years of service performed as such an employee during such period. No employee shall receive more than four such increases upon the basis of any period of continuous service, and nothing in this section shall be construed to authorize the payment to any employee of total compensation, including longevity compensation, in excess of the maximum amount prescribed by law for Senate employees generally. Notwithstanding the first sentence of this subsection, the first increase under this section for telephone operators (exclusive of the chief operator and assistant chief operators), who on September 1, 1962, have more than 25 years of service as a telephone operator on the United States Capitol telephone exchange shall be \$240 basic per annum. In computing length of continuous service for the purposes of this section only service performed subsequent to August 31, 1957, shall be credited, and in the case of employees of the Official Reporters of Debates of the Senate there shall be credited any service as such

an employee performed during the period beginning on September 1, 1957, and ending on June 30, 1960, whether or not compensated from the appropriation referred to in subsection (a). Continuity of service for the purpose of this subsection shall not be deemed to be broken by separations from service of not more than thirty days, by the performance of service as an employee, other than an employee subject to the provisions of this section, whose compensation is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives, or by the performance of active military service in the armed forces of the United States, but such separations and service shall not be credited for the purposes of this section. Longevity compensation under this section shall be payable on and after the first day of the first month following completion of the five-year period upon which such compensation is based.

(c) The Act of February 13, 1945 (Public Law 2, 79th Cong.; 2 U.S.C. 60i), is repealed, and no longevity increase payable under authority of such Act prior to the effective date of this section shall be payable on or after such date.

Repeals.  
59 Stat. 4.

(d) Section 105 of the Legislative Branch Appropriation Act, 1959 (Public Law 85-570) is repealed. Any member of the Capitol Police who prior to the effective date of this section completed service entitling him to be paid at a rate specified in such section 105 shall be entitled, so long as he continues to serve without break in service of more than thirty days as a member of the Capitol Police, to continue to be paid at such rate and, in addition, to receive any longevity increases for which he may become qualified under subsection (b) of this section, except that while receiving compensation at a rate specified in such section 105 (1) no such member shall receive more than three longevity increases under subsection (b) based upon any period of continuous service, and (2) in computing length of service for the purpose of such longevity increases, only service performed subsequent to the date on which such member began receiving compensation at a rate prescribed by such section 105 shall be counted.

72 Stat. 453.

(e) This section shall become effective on September 1, 1962.

Effective date.  
Short title.

This Act may be cited as the "Legislative Branch Appropriation Act, 1963".

Approved October 2, 1962.

## Public Law 87-731

### AN ACT

To promote the foreign policy of the United States by authorizing a loan to the United Nations and the appropriation of funds therefor.

October 2, 1962  
[S. 2768]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated to the President, without fiscal-year limitation, out of any money in the Treasury not otherwise appropriated, \$100,000,000 for a loan to the United Nations. The proceeds of such loan shall not be used to relieve members of the United Nations of their obligation to pay arrearages on payments of any United Nations assessments, and shall not be used to reduce regular or special assessments against any such members.

United Nations.  
Loan.

SEC. 2. The total amount of money that may be loaned to the United Nations pursuant to the authorization contained in the first section of this Act shall not exceed the aggregate amount of loans made by other nations.

SEC. 3. There shall be deducted from the annual payment of the assessed share of the United States of the budget of the United Nations an amount equal to the corresponding annual installment of principal and interest due to the United States on account of the loan made pursuant to section 1.

Future borrow-  
ing.

SEC. 4. Nothing herein shall be regarded as authorizing the United States to participate in any future United Nations borrowing. It is the sense of the Congress that the United States shall use its best efforts to promote a pattern of United Nations financing (including a vigorous program for collection of delinquencies on annual assessments of nations and maintenance of such annual assessments on a current basis) that will avoid any future large-scale deficits. The Department of State is hereby instructed to submit to the Congress, not later than January 31, 1963, a report on steps taken in the 17th Session of the General Assembly of the United Nations on long-term financing of the United Nations.

Report to Con-  
gress.

"Expenses of  
the Organization."

SEC. 5. The Congress hereby expresses its satisfaction that the International Court of Justice has decided that the expenditures authorized in resolutions of the United Nations General Assembly relating to operations in the Middle East and in the Congo are "expenses of the Organization" within the meaning of the United Nations Charter, thereby providing a sound basis for obtaining prompt payment of assessments for such expenditures by making them obligations of all members of the United Nations.

SEC. 6. It is the sense of the Congress that the United Nations should take immediate steps to give effect to the advisory opinion of the International Court of Justice on the financial obligations of members of the United Nations in order to assure prompt payment of all assessments, including assessments to cover the cost of operations to maintain or restore international peace and security.

Approved October 2, 1962.

## Public Law 87-732

October 2, 1962  
[H. R. 8520]

### AN ACT

To amend the Soil Conservation and Domestic Allotment Act, as amended, to add a new section 16A to limit financial and technical assistance for drainage of certain wetlands.

Agriculture Dept.  
Wetlands drain-  
age assistance,  
limitation.  
49 Stat. 1151.  
16 USC 590p.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Soil Conservation and Domestic Allotment Act, as amended, is further amended by inserting after section 16 thereof the following new section:

"SEC. 16A. The Secretary of Agriculture shall not enter into an agreement in the States of North Dakota, South Dakota, and Minnesota to provide financial or technical assistance for wetland drainage on a farm under authority of this Act, if the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed on that farm by such drainage and that preservation of such land in its undrained status will materially contribute to wildlife preservation and such finding, identifying specifically the farm and the land on that farm with respect to which the finding was made, has been filed with the Secretary of Agriculture within ninety days after the filing of the application for drainage assistance: *Provided*, That the limitation against furnishing such financial or technical assistance shall terminate (1) at such time as the Secretary of the Interior notifies the Secretary of Agriculture that such limitation should not be applicable, (2) one year after the date on which the adverse finding of the Secretary of the Interior was filed unless during that time an

offer has been made by the Secretary of the Interior or a State government agency to lease or to purchase the wetland area from the owner thereof as a waterfowl resource, or (3) five years after the date on which such adverse finding was filed if such an offer to lease or to purchase such wetland area has not been accepted by the owner thereof: *Provided further*, That upon any change in the ownership of the land with respect to which such adverse finding was filed, the eligibility of such land for such financial or technical assistance shall be redetermined in accordance with the provisions of this section."

Approved October 2, 1962.

## Public Law 87-733

### JOINT RESOLUTION

Expressing the determination of the United States with respect to the situation in Cuba.

October 3, 1962  
[S. J. Res. 230]

Whereas President James Monroe, announcing the Monroe Doctrine in 1823, declared that the United States would consider any attempt on the part of European powers "to extend their system to any portion of this hemisphere as dangerous to our peace and safety"; and

Whereas in the Rio Treaty of 1947 the parties agreed that "an armed attack by any State against an American State shall be considered as an attack against all the American States, and, consequently, each one of the said contracting parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations"; and

62 Stat. 1681.

Whereas the Foreign Ministers of the Organization of American States at Punta del Este in January 1962 declared: "The present Government of Cuba has identified itself with the principles of Marxist-Leninist ideology, has established a political, economic, and social system based on that doctrine, and accepts military assistance from extracontinental Communist powers, including even the threat of military intervention in America on the part of the Soviet Union"; and

59 Stat. 1044.

Whereas the international Communist movement has increasingly extended into Cuba its political, economic, and military sphere of influence; Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the United States is determined—

Cuba.  
Congressional  
determination.

(a) to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere;

(b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and

(c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination.

Approved October 3, 1962.

## Public Law 87-734

October 3, 1962  
[H. R. 5144]

## AN ACT

To provide for the acquisition of and the payment for individual Indian and tribal lands of the Lower Brule Sioux Reservation in South Dakota, required by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and for the rehabilitation, social, and economic development of the members of the tribe, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in furtherance of the Big Bend Dam and Reservoir project authorized by the Flood Control Act of December 22, 1944 (58 Stat. 887, 891)—

Lower Brule  
Sioux Reservation,  
S. Dak.  
Land acquisition  
for Big Bend Dam  
and Reservoir  
project.  
33 USC 701-1  
et seq.

(a) The entire interest, including gravel but excluding the interest in oil, gas, and all other minerals of any nature whatsoever, in approximately 14,299.03 acres of land within the taking area described in this Act in the Lower Brule Sioux Reservation in South Dakota, in which the Lower Brule Sioux Tribe or individual Indians have a trust or restricted interest, and any interest the tribe or Indians may have within the bed of the Missouri River so far as it is within the boundaries of the reservation are hereby taken by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and in consideration thereof and for trust or restricted lands heretofore acquired by the United States in condemnation proceedings for the Big Bend project the United States will pay to the tribe and the individual Indian owners, out of funds available for the Big Bend Dam and Reservoir project—

(1) a sum aggregating \$825,000, to be disbursed in accordance with the provisions of schedules prepared pursuant to section 2(b) of this Act; and

(2) the amount of \$400,715, which shall be in settlement of all claims, rights, and demands of the tribe and individual Indians arising out of the taking under this Act, to be disbursed in accordance with the provisions of section 2 hereof.

(b) Upon a determination by the Secretary of the Army, within two years from the date of enactment of this Act, filed among the appropriate land records of the Department of the Interior, that any of the lands described in this Act are not required for Big Bend project purposes, title to such land shall be revested in the former owner.

Compensation.

SEC. 2. (a) The payments authorized by section 1 of this Act, less the amounts heretofore deposited by the United States in the case entitled United States of America, Plaintiff against 867.50 acres of land, etc., and Crow Creek Tribe of Sioux Indians et al., Defendants, civil numbered 335, filed in the United States District Court for the District of South Dakota, for trust property acquired in the taking area described in this Act, shall be deposited to the credit of the tribe in the Treasury of the United States and shall draw interest on the principal at the rate of 4 per centum per annum until expended.

Schedules.

(b) The amount paid pursuant to section 1(a)(1) of this Act shall be allocated in accordance with Indian ownership schedules prepared by the Secretary of the Interior, after consultation with the Lower Brule Tribal Council to correct known errors and to insure fair and equitable allocation. These schedules shall reflect the amount agreed upon by the Secretary of the Army and the Secretary of the Interior as the basis for negotiation, after appropriate acreage adjustments, increased by a uniform percentage to equal the amount paid. The amounts allocated for payment of property owned by individual Indians shall be credited to their respective individual Indian money

accounts. No part of the compensation provided for in section 1 shall be subject to any lien, debt, or claim of any nature whatsoever against the tribe or the individual Indian owners entitled to the compensation, except delinquent debts owed to the United States by the tribe, or delinquent debts owed to the tribe or to the United States by the individual Indians entitled to the compensation: *Provided*, That such compensation shall not be applied to the payment of such individual delinquent debts unless the Secretary of the Interior first determines and certifies that no hardship will result from the payment of such delinquent debts.

(c) The tribal council, with the approval of the Secretary of the Interior, shall make available from the funds authorized by section 1(a)(2) of this Act not to exceed \$247,325, to pay the expenses, costs, losses, and damages incurred by members of the tribe as a direct result of moving themselves and their possessions, including dwellings and other buildings owned by the individual members, on account of the acquisition referred to in section 1 of this Act. The balance of the amount paid pursuant to section 1(a)(2) shall be consolidated with the appropriation authorized by section 3 of this Act and shall be expended in accordance with the provisions of section 3.

SEC. 3. There is authorized to be appropriated the additional sum of \$1,968,750 which shall be deposited in the Treasury of the United States to the credit of the tribe and which shall draw interest on the principal at the rate of 4 per centum per annum until expended, for the purposes of developing individual and family plans, relocating, reestablishing, and providing other assistance designed to improve the economic and social conditions of enrolled members of the tribe on the date of enactment of this Act. The funds authorized by this section shall be expended in accordance with plans and programs approved by both the tribal council and the Secretary of the Interior: *Provided*, That \$400,000 shall be allocated exclusively for industrial development on the reservation or within fifty miles of any exterior boundary of the reservation with preferential right of employment for members of the tribe. Nothing in this Act shall be construed to prevent cooperative action with the Crow Creek Sioux Tribe on industrial development or other programs: *And provided further*, That no part of such funds shall be used for per capita payments, or for the purchase of land by the tribe except for the purpose of resale to individual Indians in furtherance of the rehabilitation program authorized by this section, which resale is hereby authorized.

Economic and  
social conditions,  
improvement.

SEC. 4. The Secretary of the Army, out of funds appropriated for the Big Bend project other than funds provided by this Act, is authorized and directed to relocate and reestablish such Indian cemeteries, tribal monuments, and shrines within the taking area of the Big Bend project as the tribal council, with the approval of the Secretary of the Interior, shall select and designate: *Provided*, That reinterment of individual remains, but not entire cemeteries, outside the reservation boundaries is authorized if desired by the next of kin and approved by the tribal council, but in no event will reinterment be made to a site which exceeds the equivalent distance from the disinterment site to the farthest point at which reinterment could be made within the reservation boundaries.

Indian ceme-  
teries, etc., re-  
location.

SEC. 5. The Secretary of the Army is authorized and directed out of funds appropriated for the Big Bend project other than funds provided by this Act to protect, replace, relocate, or reconstruct any existing essential governmental and agency facilities on the reservation, including schools, hospitals, Public Health Service and Bureau of Indian Affairs offices, facilities, service buildings, and employees' quarters, roads, bridges, and incidental matters or facilities in con-

Government and  
agency facilities.



nection therewith, which the Secretary of the Interior determines will be impaired or required by reason of the Big Bend project: *Provided, however,* That the design criteria employed shall be reasonably comparable to that of the presently existing roads, bridges, and facilities.

New town, construction.

SEC. 6. The Secretary of the Army, under plans approved by the Secretary of the Interior after consultation with the Lower Brule Tribal Council, is authorized and directed, out of funds appropriated for the Big Bend project other than funds provided by this Act, to locate, lay out, and construct on tribal land on a site provided by the Lower Brule Sioux Council with the approval of the Secretary of the Interior a townsite for the new town of Lower Brule, including substitute and replacement streets, utilities, including water, sewerage, and electricity, taking into account the relocation and replacement of the governmental and agency facilities as provided for in section 5 of this Act and the reasonable future growth of the new town: *Provided, however,* That the design criteria employed shall be reasonably comparable to that of the existing town streets, utilities, and facilities. The tribal council is authorized, with the approval of the Secretary of the Interior (a) to convey, with or without compensation, tribal land, exclusive of minerals, for church or cemetery purposes for so long as the land is used for such purposes, and (b) to sell unimproved lots, exclusive of minerals, in the relocated town of Lower Brule at competitive sale to the highest qualified bidder but for not less than the appraised value, pursuant to such terms and conditions as the Secretary of the Interior may prescribe.

Mineral reservation.

SEC. 7. All minerals of any kind whatsoever, including oil and gas, but excluding gravel, in the lands taken by this Act are hereby reserved for the benefit of the tribe or individual Indian owners as their interests may appear. All right, title, and interest of the United States in such minerals in trust or restricted land heretofore acquired by the United States for the Big Bend project are hereby revested in the former owners. All such minerals in trust or restricted land hereafter acquired by the United States for the Big Bend project shall be reserved for the benefit of the owners as their interests may appear. Notwithstanding the foregoing provisions of this section the exploration and development of such minerals, including oil and gas, within the taking area shall be subject to all reasonable regulations of the Secretary of the Army necessary for the protection of the Big Bend project.

Vacating, effective date.

SEC. 8. Members of the Lower Brule Sioux Tribe now residing within the taking area of the Big Bend project shall have the right without charge to remain on and use the lands taken by this Act until required to vacate at such times as may be fixed by the Secretary of the Army, with the approval of the Secretary of the Interior: *Provided,* That the time for vacating in any event will not extend beyond July 1, 1963.

Timber, etc.

SEC. 9. Individual Indians and the tribe are authorized without charge to retain timber and improvements removed by them from their respective trust or restricted lands on the reservation acquired by this Act and heretofore acquired by the United States for the Big Bend project. Up to sixty days before the individual Indian landowners and the tribe are required to vacate the taking area in accordance with this Act, they shall have the right, without charge, to cut and remove all timber and to salvage any improvements on their respective lands, but, if such rights are not exercised or are waived within the time prescribed, the tribe, through its tribal council, may exercise such rights: *Provided,* That the timber cut and the salvage permitted by this section shall not be construed to be compensation.

SEC. 10. Subject to the right of the United States to occupy, use, and control trust and restricted lands acquired by this Act and heretofore acquired in condemnation action civil numbered 335 for the construction, operation, and maintenance of the Big Bend Dam and Reservoir project pursuant to the Flood Control Act of 1944, approved December 22, 1944, and amendatory laws, as determined necessary by the Secretary of the Army adequately to serve said purposes, the Lower Brule Sioux Tribe shall be permitted, after the Big Bend Dam gates are closed and the waters of the Missouri River impounded, to graze stock without charge on such of the land described in this section as lies between the level of the reservoir and the taking line described in section 16 of this Act and as the Secretary of the Army determines is not devoted to other beneficial uses and to lease such land for grazing purposes to members or nonmembers of the tribe on such terms and conditions as the Secretary of the Interior may prescribe. The tribe and members thereof shall have without cost the right of free access to the shoreline of the reservoir including the right to hunt and fish in and on the aforesaid shoreline and reservoir, subject, however, to regulations governing the corresponding use by other citizens of the United States.

Grazing privileges.

33 USC 701-1 et seq.

Hunting and fishing rights.

SEC. 11. Notwithstanding any other provision of law, for the purposes of (1) providing substitute land for individual Indians who owned land within the taking area of the Fort Randall or Big Bend projects, (2) consolidating landholdings, and (3) eliminating fractionated heirship interests within the reservation, the Secretary of the Interior is authorized to purchase, with funds made available by such individual Indians or by the tribe, land or interests in land, and to sell tribal land upon request of the tribe, but no service charge shall be made by the United States. The land selected by and purchased for individual Indians may be either inside or outside the boundaries of the reservation. Title to any land or interests in land acquired within the boundaries of the reservation shall be taken in the name of the United States in trust for the tribe or the individual Indian for whom the land is acquired, and title to any land or interests in land acquired outside the boundaries of the reservation shall be taken in the name of the individual for whom it is acquired: *Provided*, That title to lands outside the exterior boundaries of the reservation acquired by the tribe shall be taken in the name of the tribe subject to a restriction against alienation without the consent of the Secretary of the Interior, but shall not be exempt from taxation.

Purchase and sale of land.

For the purposes of this section, the Secretary of the Interior is authorized to partition or sell individually owned lands in which all interests are held in trust or restricted status (1) upon the request of the owners of not less than a 25 per centum interest in such land where ten persons or more own or claim interests in the land, or (2) upon the request of the owners of not less than a 50 per centum interest in such land where fewer than ten persons own or claim interests in the land. For the purpose of this section, the Secretary of the Interior may represent any Indian owner who is a minor or who is under any other legal disability, and the Secretary, after first giving reasonable notice by publication of the proposed sale, is authorized to represent any Indian owner or claimant who cannot be located after reasonable and diligent search. Sales of all Indian trust or restricted interests in land shall be in accordance with the following procedure:

Partition or sale of individually owned lands.

(a) Upon receipt of requests from the required ownership interests, the Secretary shall notify the tribe and each owner of an undivided Indian interest in the land by a letter directed to his last known address that each such owner and the tribe has a right to purchase the land for its appraised value, unless one of the owners objects within

Procedure.

the time fixed by the Secretary, or for a lower price if all of the owners agree, and that if more than one owner or if one owner and the tribe wants to purchase the land it will be sold on the basis of sealed competitive bids restricted to the owners of undivided interests in the land and the tribe.

(b) If no Indian owner of an undivided interest in the land elects to purchase the land within the time fixed by the Secretary, and the tribe owns no interest in the land, the Secretary shall offer to sell the land at its appraised value to the tribe, unless one of the Indian owners or his authorized representative objects within the time fixed by the Secretary to a sale to the tribe at the appraised value.

(c) If any Indian owner or his authorized representative objects to a sale to the tribe at the appraised value, the Secretary shall offer the land for sale by sealed competitive bid with a preferential right in the tribe or any Indian owner to meet the high bid, unless one of the Indian owners or his authorized representative objects within the time fixed by the Secretary to the grant of such preferential right. All bids shall be rejected if no bid substantially equal to the appraised value is received.

(d) If any Indian owner or his authorized representative objects to a sale by sealed competitive bid with a preferential right to meet the high bid, the Secretary shall offer the land for sale by sealed bids without such preferential right: *Provided*, That, if at any time before sealed bids are invited the tribe or one of the Indian owners asks that the land be sold at auction, then after notice to all interested parties, including the tribe, the land shall be sold at auction immediately after the opening of the sealed bids and auction bidding shall be limited to the Indian owners, the tribe, and persons who submitted sealed bids in amounts not less than 75 per centum of the appraised value of the land. The highest sealed bid shall be considered the opening auction bid. No sale shall be made unless the price is equal to the highest sealed bid and substantially equal to the appraised value.

(e) The Secretary may, when he deems it in the best interests of the Indian owners, obtain a power of attorney from the owner of a non-Indian interest in the land to be sold authorizing the Secretary to sell and convey the interest of the non-Indian owner in accordance with any part of the procedure provided in this section.

SEC. 12. The Secretary of the Treasury, upon certification by the Secretary of the Interior, shall reimburse the tribe for fees and expenses incurred in connection with the taking of Indian lands within the reservation for the Big Bend project: *Provided*, That such reimbursable fees and expenses shall not exceed in the aggregate, \$75,000: *Provided further*, That attorney fees shall be paid under the terms of a contract approved by the Secretary of the Interior.

SEC. 13. (a) Any individual Indian who has been duly tendered payment in accordance with the schedules prepared pursuant to section 2(b) of this Act, shall have the right to reject the sum tendered by filing a notice of rejection with the Chief of Engineers, United States Army, Washington, District of Columbia, or with the superintendent of the Pierre Indian Agency, Pierre, South Dakota, within one year from the date of enactment of this Act or within ninety days after the tender is made, whichever date is later. For the purpose of this section, the Secretary of the Interior and the tribe are authorized to represent any Indian entitled to payment who is a minor, or under any other legal disability, or who cannot be located after a reasonable and diligent search, and any person who is an undetermined heir or devisee of a deceased Indian.

(b) If the land of any Indian rejecting payment is included in condemnation proceedings heretofore instituted, the court in those proceedings shall proceed to determine the just compensation to which

Sale at auction.

Power of attorney.

Fees and expenses.

Notice of rejection.

District court, jurisdiction.

the individual is entitled and, if the land is not included in such condemnation proceedings, jurisdiction is hereby conferred upon the United States District Court for the District of South Dakota to determine just compensation in accordance with procedures applicable to the determination of just compensation in condemnation proceedings. No court or statutory costs, but all other costs and expenses, including attorney's fees, shall be at the contesting individual's expense. Suit may be brought on behalf of any individual rejecting payment within one year after the date of the rejection. If a notice of rejection of the tender of payment is filed, at least 10 per centum of the tender deposited in the individual Indian money account shall be withheld from disbursement pending a final determination under this subsection.

SEC. 14. No part of any expenditure made by the United States under any of the provisions of this Act shall be charged by the United States as an offset or counterclaim against any tribal claim against the United States which has arisen prior to the date of enactment of this Act. The payment of Sioux benefits as provided for in section 17 of the Act of March 2, 1889 (25 Stat. 888), as amended, shall be continued under the provisions of section 14 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984), on the basis now in operation without regard to the loss of tribal land within the taking area for the Big Bend project.

SEC. 15. There is hereby authorized to be appropriated such amounts as may be necessary for the purposes of this Act.

SEC. 16. The land taken by section 1 of this Act, embracing approximately 14,299.03 acres, and the land heretofore acquired in condemnation proceedings by civil numbered 335, embracing approximately 310.00 acres, are the lands identified and delimited on a map entitled, "A map delimiting tribal and individual Indian trust and restricted land of the Lower Brule Sioux Reservation acquired by the United States for the Big Bend Dam and Reservoir project for the sum of \$825,000". Legal descriptions of the lands shown therein shall be prepared by the Secretary of the Army and attached thereto. The map and descriptions shall be prepared by the Secretary of the Army and shall be filed among the land records of the Bureau of Indian Affairs in Washington, District of Columbia, and a duplicate original filed and maintained at the agency in Pierre, South Dakota. A true and correct copy of the map and descriptions shall be furnished without cost to the tribe. The Secretary of the Army shall prepare and furnish the Secretary of the Interior and the tribe tract by tract legal descriptions of trust and restricted land acquired by this Act within two years of enactment of this Act: *Provided*, That within ninety days after notice of rejection is filed pursuant to subsection 13(a) the Secretary of the Army shall furnish to the individual Indian and to the Superintendent of the Pierre Indian Agency a legal description of the lands covered by the rejection.

SEC. 17. All funds authorized by this Act paid to the tribe and individual Indians shall be exempt from all forms of State and Federal taxation.

SEC. 18. The Secretary of the Army is authorized and directed to pay to any bona fide lessee or permittee owning improvements situated on Indian tribal land the fair value, as determined by the Secretary, or by a court of competent jurisdiction, of any such improvements which will be rendered inoperative or be otherwise adversely affected by the construction of the Big Bend Dam and Reservoir project.

Approved October 3, 1962.

Offset or counterclaims.

25 USC 474.

Appropriation.

Legal land descriptions.

Tax exemption.

Lessee or permittee, reimbursement.

## Public Law 87-735

October 3, 1962  
[H. R. 5165]

## AN ACT

To provide for the acquisition of and the payment for individual Indian and tribal lands of the Crow Creek Sioux Reservation in South Dakota, required by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and for the rehabilitation, social, and economic development of the members of the tribe, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in furtherance of the Big Bend Dam and Reservoir project authorized by the Flood Control Act of December 22, 1944 (58 Stat. 887, 891)—

(a) The entire interest, including gravel but excluding the interest in oil, gas, and all other minerals of any nature whatsoever, in approximately 6,283.57 acres of land within the taking area described in this Act in the Crow Creek Sioux Reservation in South Dakota, in which the Crow Creek Sioux Tribe or individual Indians have a trust or restricted interest, and any interest the tribe or Indians may have within the bed of the Missouri River so far as it is within the boundaries of the reservation are hereby taken by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and in consideration thereof and for 132.61 acres of trust or restricted lands heretofore acquired by the United States in condemnation proceedings for the Big Bend project the United States will pay to the tribe and the individual Indian owners, out of funds available for the Big Bend Dam and Reservoir project—

(1) a sum aggregating \$355,000 to be disbursed in accordance with the provisions of schedules prepared pursuant to section 2(b) of this Act; and

(2) the amount of \$209,302, which shall be in settlement of all claims, rights, and demands of the tribe and individual Indians arising out of the taking under this Act, to be disbursed in accordance with the provisions of section 2 hereof.

(b) Upon a determination by the Secretary of the Army, within two years from the date of enactment of this Act, filed among the appropriate land records of the Department of the Interior, that any of the lands described in this Act are not required for Big Bend project purposes, title to such land shall be reverted in the former owner.

SEC. 2. (a) The payments authorized by section 1 of this Act, less the amounts heretofore deposited by the United States in the case entitled United States of America, Plaintiff, against 867.50 acres of land, etc., and Crow Creek Tribe of Sioux Indians et al., Defendants, civil numbered 335, filed in the United States District Court for the District of South Dakota, for trust property acquired in the taking area described in this Act, shall be deposited to the credit of the tribe in the Treasury of the United States and shall draw interest on the principal at the rate of 4 per centum per annum until expended: *Provided*, That there shall not be deducted from the payments authorized by section 1 of this Act amounts deposited as compensation in the aforesaid case for improvements located on lands not owned by the individual Indian owner of the improvements.

(b) The amount paid pursuant to section 1(a)(1) of this Act shall be allocated in accordance with Indian ownership schedules prepared by the Secretary of the Interior, after consultation with the Crow Creek Tribal Council to correct known errors and to insure fair and equitable allocation. These schedules shall reflect the amount agreed upon by the Secretary of the Army and the Secretary of the Interior as the basis for negotiation, after appropriate acreage adjustments, increased by a uniform percentage to equal the amount paid. The

Crow Creek  
Sioux Reserva-  
tion, S. Dak.  
Land acquisition  
for Big Bend Dam  
and Reservoir  
project.  
33 USC 701-1  
et seq.

Compensation.

Schedules.

amounts allocated for payment of property owned by individual Indians shall be credited to their respective individual Indian money accounts. No part of the compensation provided for in section 1 shall be subject to any lien, debt, or claim of any nature whatsoever against the tribe or the individual Indian owners entitled to the compensation, except delinquent debts owed to the United States by the tribe, or delinquent debts owed to the tribe or to the United States by the individual Indians entitled to the compensation: *Provided*, That such compensation shall not be applied to the payment of such delinquent debts unless the Secretary of the Interior first determines and certifies that no hardship will result from the payment of such delinquent debts.

(c) The tribal council with the approval of the Secretary of the Interior shall make available from the funds authorized by section 1(a)(2) of this Act not to exceed \$77,550, to pay the expenses, costs, losses, and damages incurred by members of the tribe as a direct result of moving themselves and their possessions, including dwellings and other buildings owned by the individual members, on account of the acquisition referred to in section 1 of this Act. The balance of the amount paid pursuant to section 1(a)(2) shall be consolidated with the appropriation authorized by section 3 of this Act and shall be expended in accordance with the provisions of section 3.

SEC. 3. There is authorized to be appropriated the additional sum of \$3,802,500 which shall be deposited in the Treasury of the United States to the credit of the tribe and which shall draw interest on the principal at the rate of 4 per centum per annum until expended, for the purposes of developing individual and family plans, relocating, reestablishing, and providing other assistance designed to improve the economic and social conditions of enrolled members of the tribe on the date of enactment of this Act. The funds authorized by this section shall be expended in accordance with plans and programs approved by both the tribal council and the Secretary of the Interior: *Provided*, That \$400,000 shall be allocated exclusively for industrial development on the reservation or within fifty miles of any exterior boundary of the reservation with preferential right of employment for members of the tribe. Nothing in this Act shall be construed to prevent cooperative action with the Lower Brule Sioux Tribe on industrial development or other programs: *And provided further*, That no part of such funds shall be used for per capita payments, or for the purchase of land by the tribe except for the purpose of resale to individual Indians in furtherance of the rehabilitation program authorized by this section, which resale is hereby authorized.

Economic and social conditions, improvement.

SEC. 4. The Secretary of the Army, out of funds appropriated for the Big Bend project other than funds provided by this Act, is authorized and directed to relocate and reestablish such Indian cemeteries, tribal monuments, and shrines within the taking area of the Big Bend project as the tribal council, with the approval of the Secretary of the Interior, shall select and designate: *Provided*, That reinterment of individual remains, but not entire cemeteries, outside the reservation boundaries is authorized if desired by the next of kin and approved by the tribal council, but in no event will reinterment be made to a site which exceeds the equivalent distance from the disinterment site to the farthest point at which reinterment could be made within the reservation boundaries.

Indian cemeteries, etc., relocation.

SEC. 5. The Secretary of the Army is authorized and directed out of funds appropriated for the Big Bend project other than funds provided by this Act to protect, replace, relocate, or reconstruct any existing essential governmental and agency facilities on the reservation, including schools, hospitals, Public Health Service and Bureau

Government and agency facilities.

of Indian Affairs offices, facilities, service buildings, and employees' quarters, roads, bridges, and incidental matters or facilities in connection therewith, which the Secretary of the Interior determines will be impaired or required by reason of the Big Bend project: *Provided, however,* That the design criteria employed shall be reasonably comparable to that of the presently existing roads, bridges, and facilities.

Townsite, construction.

SEC. 6. The Secretary of the Army, under plans approved by the Secretary of the Interior after consultation with the Crow Creek Tribal Council, is authorized and directed out of funds appropriated for the Big Bend project other than funds provided by this Act, to locate and construct on tribal land selected by the Crow Creek Tribal Council with the approval of the Secretary of the Interior, a townsite adequate for fifty homes, including streets, utilities, including water, sewage, and electricity, taking into account the reasonable future growth of the townsite, a community center containing space and facilities for community gatherings, tribal offices, tribal council chamber, Bureau of Indian Affairs and Public Health Service offices and quarters and a combination gymnasium and auditorium: *Provided,* That not to exceed \$350,000 shall be withdrawn from funds of the tribe authorized under section 3 of this Act, and transferred to funds available for the Big Bend Dam and Reservoir project upon request of the Secretary of the Army after completion of the work.

The tribal council is authorized with the approval of the Secretary of the Interior (a) to convey, with or without compensation, tribal land, exclusive of minerals, for church or cemetery purposes for so long as the land is used for such purposes, and (b) to sell unimproved lots in the townsite, exclusive of minerals, at competitive sale to the highest qualified bidder but for not less than the appraised value, pursuant to such terms and conditions as the Secretary may prescribe.

Mineral reservation.

SEC. 7. All minerals of any kind whatsoever, including oil and gas, but excluding gravel, in the lands taken by this Act are hereby reserved for the benefit of the tribe or individual Indian owners as their interests may appear. All right, title, and interest of the United States in such minerals in trust or restricted land heretofore acquired by the United States for the Big Bend project, are hereby reverted in the former owners. All such minerals in trust or restricted land hereafter acquired by the United States for the Big Bend project shall be reserved for the benefit of the owners as their interests may appear. Notwithstanding the foregoing provisions of this section the exploration and development of such minerals, including oil and gas, within the taking area shall be subject to all reasonable regulations of the Secretary of the Army necessary for the protection of the Big Bend project.

Vacating, effective date.

SEC. 8. Members of the Crow Creek Sioux Tribe now residing within the taking area of the Big Bend project shall have the right without charge to remain on and use the lands taken by this Act until required to vacate at such times as may be fixed by the Secretary of the Army, with the approval of the Secretary of the Interior: *Provided,* That the time for vacating in any event will not extend beyond July 1, 1963.

Timber, etc.

SEC. 9. Individual Indians and the tribe are authorized without charge to retain timber and improvements removed by them from their respective trust or restricted lands on the reservation acquired by this Act and heretofore acquired by the United States for the Big Bend project. Up to sixty days before the individual Indian landowners and the tribe are required to vacate the taking area in accordance with this Act, they shall have the right, without charge, to cut and remove all timber and to salvage any improvements on their respective lands but, if such rights are not exercised or are waived

within the time prescribed, the tribe, through its tribal council, may exercise such rights: *Provided*, That the timber cut and the salvage permitted by this section shall not be construed to be compensation.

SEC. 10. Subject to the right of the United States to occupy, use, and control trust and restricted lands acquired by this Act and heretofore acquired in condemnation action civil numbered 335 for the construction, operation, and maintenance of the Big Bend Dam and Reservoir project pursuant to the Flood Control Act of 1944, approved December 22, 1944, and amendatory laws, as determined necessary by the Secretary of the Army adequately to serve said purposes, the Crow Creek Sioux Tribe shall be permitted, after the Big Bend Dam gates are closed and the waters of the Missouri River impounded, to graze stock without charge on such of the land described in this section as lies between the level of the reservoir and the taking line described in section 16 of this Act and as the Secretary of the Army determines is not devoted to other beneficial uses and to lease such land for grazing purposes to members or nonmembers of the tribe on such terms and conditions as the Secretary of the Interior may prescribe. The tribe and members thereof shall have without cost the right of free access to the shoreline of the reservoir including the right to hunt and fish in and on the aforesaid shoreline and reservoir, subject, however, to regulations governing the corresponding use by other citizens of the United States.

Grazing privileges.

33 USC 701-1 et seq.

Hunting and fishing rights.

SEC. 11. Notwithstanding any other provision of law, for the purposes of (1) providing substitute land for individual Indians who owned land within the taking area of the Fort Randall or Big Bend projects, (2) consolidating land holdings, and (3) eliminating fractionated heirship interests within the reservation, the Secretary of the Interior is authorized to purchase, with funds made available by such individual Indians or by the tribe, land or interests in land, and to sell tribal land upon request of the tribe, but no service charge shall be made by the United States. The land selected by and purchased for individual Indians may be either inside or outside the boundaries of the reservation. Title to any land or interests in land acquired within the boundaries of the reservation shall be taken in the name of the United States in trust for the tribe or the individual Indian for whom the land is acquired, and title to any land or interests in land acquired outside the boundaries of the reservation shall be taken in the name of the individual for whom it is acquired: *Provided*, That title to lands outside the exterior boundaries of the reservation acquired by the tribe shall be taken in the name of the tribe subject to a restriction against alienation without the consent of the Secretary of the Interior, but shall not be exempt from taxation.

Purchase and sale of land.

For the purposes of this section, but without limiting the authority contained in the Act of June 25, 1910 (36 Stat. 855), as amended, the Secretary of the Interior is authorized to partition or sell individually owned lands in which all interests are held in trust or restricted status (1) upon the request of the owners of not less than a 25 per centum interest in such land where ten persons or more own or claim interests in the land, or (2) upon the request of the owners of not less than a 50 per centum interest in such land where fewer than ten persons own or claim interests in the land. For the purpose of this section, the Secretary of the Interior may represent any Indian owner who is a minor or who is under any other legal disability, and the Secretary, after first giving reasonable notice by publication of the proposed sale, is authorized to represent any Indian owner or claimant who cannot be located after reasonable and diligent search. Sales of all Indian trust or restricted interests in land shall be in accordance with the following procedure:

Partition or sale of individually owned lands.  
25 USC 151, 372.



## Procedure.

(a) Upon receipt of requests from the required ownership interests, the Secretary shall notify the tribe and each owner of an undivided Indian interest in the land by a letter directed to his last known address that each such owner and the tribe has a right to purchase the land for its appraised value, unless one of the owners objects within the time fixed by the Secretary, or for a lower price if all of the owners agree, and that if more than one owner or if one owner and the tribe wants to purchase the land it will be sold on the basis of sealed competitive bids restricted to the owners of undivided interests in the land and the tribe.

(b) If no Indian owner of an undivided interest in the land elects to purchase the land within the time fixed by the Secretary, and the tribe owns no interest in the land, the Secretary shall offer to sell the land at its appraised value to the tribe, unless one of the Indian owners or his authorized representative objects within the time fixed by the Secretary to a sale to the tribe at the appraised value.

(c) If any Indian owner or his authorized representative objects to a sale to the tribe at the appraised value, the Secretary shall offer the land for sale by sealed competitive bid with a preferential right in the tribe or any Indian owner to meet the high bid, unless one of the Indian owners or his authorized representative objects within the time fixed by the Secretary to the grant of such preferential right. All bids shall be rejected if no bid substantially equal to the appraised value is received.

## Sale at auction.

(d) If any Indian owner or his authorized representative objects to a sale by sealed competitive bid with a preferential right to meet the high bid, the Secretary shall offer the land for sale by sealed bids without such preferential right: *Provided*, That, if at any time before sealed bids are invited the tribe or one of the Indian owners asks that the land be sold at auction, then after notice to all interested parties including the tribe, the land shall be sold at auction immediately after the opening of the sealed bids and auction bidding shall be limited to the Indian owners, the tribe, and persons who submitted sealed bids in amounts not less than 75 per centum of the appraised value of the land. The highest sealed bid shall be considered the opening auction bid. No sale shall be made unless the price is equal to the highest sealed bid and substantially equal to the appraised value.

## Power of attorney.

(e) The Secretary may, when he deems it in the best interests of the Indian owners, obtain a power of attorney from the owner of a non-Indian interest in the land to be sold authorizing the Secretary to sell and convey the interest of the non-Indian owner in accordance with any part of the procedure provided in this section.

## Fees and expenses.

SEC. 12. The Secretary of the Treasury, upon certification by the Secretary of the Interior, shall reimburse the tribe for fees and expenses incurred in connection with the taking of Indian lands within the reservation for the Big Bend project: *Provided*, That such reimbursable fees and expenses shall not exceed in the aggregate \$75,000: *Provided further*, That attorney fees shall be paid under the terms of a contract approved by the Secretary of the Interior.

## Notice of rejection.

SEC. 13. (a) Any individual Indian who has been duly tendered payment in accordance with the schedules prepared pursuant to section 2(b) of this Act, shall have the right to reject the sum tendered by filing a notice of rejection with the Chief of Engineers, United States Army, Washington, District of Columbia, or with the superintendent of the Pierre Indian Agency, Pierre, South Dakota, within one year from the date of enactment of this Act or within ninety days after the tender is made, whichever date is later. For the purpose of this section, the Secretary of the Interior and the tribe are authorized to represent any Indian entitled to payment who is a minor, or under

any other legal disability, or who cannot be located after a reasonable and diligent search, and any person who is an undetermined heir or devisee of a deceased Indian.

(b) If the land of any Indian rejecting payment is included in condemnation proceedings heretofore instituted, the court in those proceedings shall proceed to determine the just compensation to which the individual is entitled and, if the land is not included in such condemnation proceedings, jurisdiction is hereby conferred upon the United States District Court for the District of South Dakota to determine just compensation in accordance with procedures applicable to the determination of just compensation in condemnation proceedings. No court or statutory costs but all other costs and expenses including attorney's fees shall be at the contesting individual's expense. Suit may be brought on behalf of any individual rejecting payment within one year after the date of the rejection. If a notice of rejection of the tender of payment is filed, at least 10 per centum of the tender deposited in the individual Indian money account shall be withheld from disbursement pending a final determination under this subsection.

District court,  
jurisdiction.

SEC. 14. No part of any expenditure made by the United States under any of the provisions of this Act shall be charged by the United States as an offset or counterclaim against any tribal claim against the United States which has arisen prior to the date of enactment of this Act. The payment of Sioux benefits as provided for in section 17 of the Act of March 2, 1889 (25 Stat. 888), as amended, shall be continued under the provisions of section 14 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984), on the basis now in operation without regard to the loss of tribal land within the taking area for the Big Bend project.

Offset or  
counterclaims.

25 USC 474.

SEC. 15. There are hereby authorized to be appropriated such amounts as may be necessary for the purposes of this Act.

Appropriation.

SEC. 16. The land taken by section 1 of this Act, embracing approximately 6,283.57 acres, and the land heretofore acquired in condemnation proceedings by civil numbered 335, embracing approximately 132.61 acres, are the lands identified and delimited on a map entitled, "A map delimiting tribal and individual Indian trust and restricted land of the Crow Creek Sioux Reservation acquired by the United States for the Big Bend Dam and Reservoir project for the sum of \$355,000". Legal descriptions of the lands shown therein shall be prepared by the Secretary of the Army and attached thereto. The map and descriptions shall be prepared by the Secretary of the Army and shall be filed among the land records of the Bureau of Indian Affairs in Washington, District of Columbia, and a duplicate original filed and maintained at the agency in Pierre, South Dakota. A true and correct copy of the map and descriptions shall be furnished without cost to the tribe. The Secretary of the Army shall prepare and furnish the Secretary of the Interior and the tribe tract by tract legal descriptions of trust and restricted land acquired by this Act within two years of enactment of this Act: *Provided*, That within ninety days after notice of rejection is filed pursuant to subsection 13(a) the Secretary of the Army shall furnish to the individual Indian and to the Superintendent of the Pierre Indian Agency a legal description of the lands covered by the rejection.

Legal land  
descriptions.

SEC. 17. All funds authorized by this Act paid to the tribe and individual Indians shall be exempt from all forms of State and Federal taxation.

Tax exemption.

Lessee or  
permittee,  
reimbursement.

SEC. 18. The Secretary of the Army is authorized and directed to pay to any bona fide lessee or permittee owning improvements situated on Indian tribal land the fair value, as determined by the Secretary, or by a court of competent jurisdiction, of any such improvements which will be rendered inoperative or be otherwise adversely affected by the construction of the Big Bend Dam and Reservoir project.

Approved October 3, 1962.

## Public Law 87-736

October 3, 1962  
[S. J. Res. 224]

### JOINT RESOLUTION

To authorize the President to order units and members in the Ready Reserve to active duty for not more than twelve months, and for other purposes.

Armed Forces.  
Ready Reserve,  
active duty.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, until February 28, 1963, the President may, without the consent of the persons concerned, order any unit, or any member, of the Ready Reserve of an armed force to active duty for not more than twelve consecutive months. However, not more than one hundred and fifty thousand members of the Ready Reserve may be on active duty (other than for training), without their consent, under this section at any one time.

Extension of  
military service.

SEC. 2. Notwithstanding any other provision of law, until February 28, 1963, the President may authorize the Secretary of Defense to extend enlistments, appointments, periods of active duty, periods of active duty for training, periods of obligated service or other military status, in any component of an armed force or in the National Guard that expire before February 28, 1963, for not more than twelve months. However, if the enlistment of a member of the Ready Reserve who is ordered to active duty under the first section of this Act would expire after February 28, 1963, but before he has served the entire period for which he was so ordered to active duty, his enlistment may be extended until the last day of that period.

10 USC 263  
note.

SEC. 3. No member of the Ready Reserve who was involuntarily ordered to active duty or whose period of active duty was extended under the Act of August 1, 1961, Public Law 87-117 (75 Stat. 242), may be involuntarily ordered to active duty under this Act.

Approved October 3, 1962.

## Public Law 87-737

October 3, 1962  
[S. 1291]

### AN ACT

To amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits.

D. C. Traffic  
Act, 1925, amend-  
ment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) (2) of section 7 of the District of Columbia Traffic Act, 1925 (43 Stat. 1121), as amended (62 Stat. 173; 68 Stat. 732; sec. 40-301 (a) (2), District of Columbia Code, 1951 edition), be amended by striking "\$1" and inserting in lieu thereof "\$2".

Approved October 3, 1962.

## Public Law 87-738

## AN ACT

To amend sections 1 and 5b of chapter V of the Life Insurance Act for the District of Columbia.

October 3, 1962  
[H. R. 8738]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (1) of subsection (c) of section 1 of chapter V of the Life Insurance Act (D.C. Code, sec. 35-701(c)(1)) is amended to read as follows:

Life Insurance  
Act, D. C.  
Amendment.  
62 Stat. 28.

"(1) The minimum standard for the valuation of all such policies and contracts shall be the Commissioners reserve valuation method defined in paragraph (2),  $3\frac{1}{2}$  per centum interest, and the following tables:

"(i) For all ordinary policies of life insurance issued on the standard basis, excluding any disability and accidental death benefits in such policies, the Commissioners 1941 Standard Ordinary Mortality Table for such policies issued prior to the operative date of the next to the last paragraph of section 5b(d) of this chapter, and the Commissioners 1958 Standard Ordinary Mortality Table for such policies issued on or after such operative date; provided that for any category of such policies issued on female risks all modified net premiums and present values referred to in this section may be calculated according to an age not more than three years younger than the actual age of the insured.

Mortality tables.

62 Stat. 32.

Female risks.

"(ii) For all industrial life insurance policies issued on the standard basis, excluding any disability and accidental death benefits in such policies, the 1941 Standard Industrial Mortality Table for such policies issued prior to the operative date of the last paragraph of section 5b(d) of this chapter, and the Commissioners 1961 Standard Industrial Mortality Table for such policies issued on or after such operative date.

Industrial policies.

"(iii) For individual annuity and pure endowment contracts, excluding any disability and accidental death benefits in such policies, the 1937 Standard Annuity Mortality Table or, at the option of the company, the Annuity Mortality Table for 1949, Ultimate, or any modification of either of these tables approved by the Superintendent.

Annuity and endowment contracts.

"(iv) For group annuity and pure endowment contracts, excluding any disability and accidental death benefits in such policies, the Group Annuity Mortality Table for 1951, any modification of such table approved by the Superintendent, or, at the option of the company, any of the tables or modifications of tables specified for individual annuity and pure endowment contracts.

"(v) For total and permanent disability benefits in or supplementary to ordinary policies or contracts, for policies or contracts issued on or after January 1, 1966, the tables of period 2 disablement rates and the 1930 to 1950 termination rates of the 1952 Disability Study of the Society of Actuaries, with due regard to the type of benefit; for policies or contracts issued on or after January 1, 1961, and prior to January 1, 1966, either such tables or, at the option of the company, the Class (3) Disability Table (1926); and for policies issued prior to January 1, 1961, the Class (3) Disability Table (1926). Any such table shall, for active lives, be combined with a mortality table permitted for calculating the reserves for life insurance policies.

Disability benefits.

"(vi) For accidental death benefits in or supplementary to policies, for policies issued on or after January 1, 1966, the 1959 Accidental Death Benefits Table; for policies issued on or after

Accidental death benefits.

January 1, 1961, and prior to January 1, 1966, either such table or, at the option of the company, the Intercompany Double Indemnity Mortality Table; and for policies issued prior to January 1, 1961, the Intercompany Double Indemnity Mortality Table. Either table shall be combined with a mortality table permitted for calculating the reserves for life insurance policies.

"(vii) For group life insurance, life insurance issued on the substandard basis and other special benefits, such tables as may be approved by the Superintendent."

SEC. 2. Subsections (d), (e), and (g) of section 5b of chapter V of the Life Insurance Act (D.C. Code, sec. 35-705b(d)) are amended to read as follows:

"(d) Except as provided in the third paragraph of this subsection, the adjusted premiums for any policy referred to in subsection (a) shall be calculated on an annual basis and shall be such uniform percentage of the respective premiums specified in the policy for each policy year, excluding any extra premiums charged because of impairments or special hazards, that the present value, at the date of issue of the policy, of all such adjusted premiums shall be equal to the sum of (i) the then present value of the future guaranteed benefits provided for by the policy; (ii) 2 per centum of the amount of insurance, if the insurance be uniform in amount, or of the equivalent uniform amount, as hereinafter defined, if the amount of insurance varies with duration of the policy; (iii) 40 per centum of the adjusted premium for the first policy year; (iv) 25 per centum of either the adjusted premium for the first policy year or the adjusted premium for a whole life policy of the same uniform or equivalent uniform amount with uniform premiums for the whole of life issued at the same age for the same amount of insurance, whichever is less: *Provided, however,* That in applying the percentages specified in (iii) and (iv) above, no adjusted premium shall be deemed to exceed 4 per centum of the amount of insurance or uniform amount equivalent thereto.

"In the case of a policy providing an amount of insurance varying with duration of the policy, the equivalent uniform amount thereof for the purpose of this subsection shall be deemed to be the uniform amount of insurance provided by an otherwise similar policy, containing the same endowment benefit or benefits, if any, issued at the same age and for the same term, the amount of which does not vary with duration and the benefits under which have the same present value at the date of issue as the benefits under the policy: *Provided, however,* That in the case of a policy providing a varying amount of insurance issued on the life of a child under age ten, the equivalent uniform amount may be computed as though the amount of insurance provided by the policy prior to the attainment of age ten were the amount provided by such policy at age ten.

"The adjusted premiums for any policy providing term insurance benefits by rider or supplemental policy provision shall be equal to (a) the adjusted premiums for an otherwise similar policy issued at the same age without such term insurance benefits, increased, during the period for which premiums for such term insurance benefits are payable, by (b) the adjusted premiums for such term insurance, the foregoing items (a) and (b) being calculated separately and as specified in the first two paragraphs of this subsection except that, for the purposes of (ii), (iii), and (iv) of the first such paragraph, the amount of insurance or equivalent uniform amount of insurance used in the calculation of the adjusted premiums referred to in (b) shall be equal to the excess of the corresponding amount determined for the entire policy over the amount used in the calculation of the adjusted premiums in (a).

Group life insurance.

74 Stat. 227;  
62 Stat. 33.

Uniform percentage.

Juvenile policies.

Term riders.

"Except as otherwise provided in the next succeeding paragraphs of this subsection, all adjusted premiums and present values referred to in this section shall for all policies of ordinary insurance be calculated on the basis of the Commissioners 1941 Standard Ordinary Mortality Table: *Provided*, That for any category of ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than three years younger than the actual age of the insured, and such calculations for all policies of industrial insurance shall be made on the basis of the 1941 Standard Industrial Mortality Table. All calculations shall be made on the basis of the rate of interest, not exceeding  $3\frac{1}{2}$  per centum per annum, specified in the policy for calculating cash surrender values, if any, and paid-up nonforfeiture benefits: *Provided, however*, That in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a nonforfeiture benefit, the rates of mortality assumed may be not more than 130 per centum of the rates of mortality according to such applicable table: *Provided further*, That for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the company and approved by the Superintendent.

Adjusted premiums,  
calculations.

"In the case of ordinary policies issued on or after the operative date of this paragraph as defined herein, all adjusted premiums and present values referred to in this section shall be calculated on the basis of the Commissioners 1958 Standard Ordinary Mortality Table and the rate of interest, not exceeding  $3\frac{1}{2}$  per centum per annum, specified in the policy for calculating cash surrender values, if any, and paid-up nonforfeiture benefits: *Provided*, That for any category of ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than three years younger than the actual age of the insured: *Provided, however*, That in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a nonforfeiture benefit, the rates of mortality assumed may be not more than those shown in the Commissioners 1958 Extended Term Insurance Table: *Provided further*, That for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the company and approved by the Superintendent. After the effective date of the amendatory Act of 1960, any company may file with the Superintendent a written notice of its election to comply with the provisions of this paragraph after a specified date before January first, nineteen hundred and sixty-six. After the filing of such notice, then upon such specified date (which shall be the operative date of this paragraph for such company), this paragraph shall become operative with respect to the ordinary policies thereafter issued by such company. If a company makes no such election, the operative date of this paragraph for such company shall be January first, nineteen hundred and sixty-six.

74 Stat. 227.

Operative date.

Industrial policies.

"In the case of industrial policies issued on or after the operative date of this paragraph as defined herein, all adjusted premiums and present values referred to in this section shall be calculated on the basis of the Commissioners 1961 Standard Industrial Mortality Table and the rate of interest, not exceeding  $3\frac{1}{2}$  per centum per annum, specified in the policy for calculating cash surrender values, if any, and paid-up nonforfeiture benefits: *Provided, however*, That in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a nonforfeiture benefit, the rates of mortality assumed may be not more than those shown in the Commissioners 1961 Industrial Extended Term Insurance Table: *Provided further*, That for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the company and approved by the Superintendent. After the effective date of this amendatory Act of 1962, any company may file with the Superintendent a written notice of its election to comply with the provisions of this paragraph after a specified date before January first, nineteen hundred and sixty-eight. After the filing of such notice, then upon such specified date (which shall be the operative date of this paragraph for such company), this paragraph shall become operative with respect to the industrial policies thereafter issued by such company. If a company makes no such election, the operative date of this paragraph for such company shall be January first, nineteen hundred and sixty-eight.

Operative date.

Cash surrender value.

"(e) Any cash surrender value and any paid-up nonforfeiture benefit, available under any such policy in the event of default in the payment of any premium due at any time other than on the policy anniversary, shall be calculated with allowance for the lapse of time and the payment of fractional premiums beyond the last preceding policy anniversary. All values referred to in subsections (b), (c), and (d) may be calculated upon the assumption that any death benefit is payable at the end of the policy or contract year of death. The net value of any paid-up additions, other than paid-up term additions, shall be not less than the dividends used to provide such additions. Notwithstanding the provisions of subsection (b), additional benefits payable (i) in the event of death or dismemberment by accident or accidental means, (ii) in the event of total and permanent disability, (iii) as reversionary annuity or deferred reversionary annuity benefits, (iv) as term insurance benefits provided by a rider or supplemental policy provision to which, if issued as a separate policy, this section would not apply, (v) as term insurance on the life of a child or on the lives of children provided in a policy on the life of a parent of the child, if such term insurance expires before the child's age is twenty-six, is uniform in amount after the child's age is one, and has not become paid up by reason of the death of a parent of the child, and (vi) as other policy benefits additional to life insurance and endowment benefits and premiums for all such additional benefits, shall be disregarded in ascertaining cash surrender values and nonforfeiture benefits required by this section, and no such additional benefits shall be required to be included in any paid-up nonforfeiture benefits.

“(g) After February 19, 1948, any company may file with the Superintendent a written notice of its election to comply with the provisions of this section after a specified date before January 1, 1950. After the filing of such notice, then upon such specified date (which shall be the operative date for such company), this section shall become operative with respect to the policies and contracts thereafter issued by such company. If a company makes no such election, the operative date of this section for such company shall be January 1, 1950: *Provided, however,* That the operative date of the last two paragraphs of subsection (d) shall be as stated therein.”

Operative date.

Approved October 3, 1962.

## Public Law 87-739

### AN ACT

October 3, 1962  
[S. 3358]

To permit investment of funds of insurance companies organized within the District of Columbia in obligations of the Inter-American Development Bank.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 35(1) of chapter III of the Act of June 19, 1934 (48 Stat. 1152, as amended; D.C. Code, title 35, sec. 535(1)), is amended to read as follows:

D. C.  
Insurance com-  
pany funds, invest-  
ment.  
68 Stat. 494.

“(1) Bonds, notes, or other evidences of indebtedness of the United States, any State, territory, or possession of the United States, the District of Columbia, the Dominion of Canada, any Province of the Dominion of Canada, or of any administration, agency, authority, or instrumentality of any of the political units enumerated; or obligations issued or guaranteed as to principal and interest by the International Bank for Reconstruction and Development or by the Inter-American Development Bank.”

SEC. 2. Section 18(1) of chapter II of the Act of October 9, 1940 (54 Stat. 1072; D.C. Code, title 35, sec. 1321(1)), is amended to read as follows:

68 Stat. 494.

“(1) Bonds or other evidences of indebtedness of the United States, or of any State; or of the Dominion of Canada, or of any Province thereof; or obligations issued or guaranteed as to principal and interest by the International Bank for Reconstruction and Development or by the Inter-American Development Bank”.

Fire, casualty,  
etc.

Approved October 3, 1962.

## Public Law 87-740

### AN ACT

October 3, 1962  
[S. 2977]

To amend the Life Insurance Act of the District of Columbia.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That clause (a) of the proviso in the first sentence of section 11 of chapter V of the Life Insurance Act, as amended (D.C. Code 35-711), is amended to read as follows:

Life Insurance  
Act, D. C.  
Amendment.  
Group policies,  
exemptions.  
64 Stat. 333.

“(a) That provisions (6) to (10), inclusive, shall not apply to policies issued to a creditor to insure debtors of such creditor, or to policies issued pursuant to section 10(8) of this chapter;”.

Approved October 3, 1962.



## Public Law 87-741

October 3, 1962  
[H. R. 12711]

## AN ACT

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1963, and for other purposes.

Independent Of-  
fices Appropria-  
tion Act, 1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1963, namely:

## TITLE I

## EXECUTIVE OFFICE OF THE PRESIDENT

## NATIONAL AERONAUTICS AND SPACE COUNCIL

## SALARIES AND EXPENSES

72 Stat. 427;  
75 Stat. 46.

For expenses necessary for the National Aeronautics and Space Council, established by section 201 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2471), including hire of passenger motor vehicles, reimbursement of the General Services Administration for security guard services, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed \$100 per diem, \$530,000.

## OFFICE OF EMERGENCY PLANNING

## SALARIES AND EXPENSES

60 Stat. 810.

For expenses necessary for the Office of Emergency Planning, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); reimbursement of the General Services Administration for security guard services; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of the Office; \$5,000,000: *Provided*, That contracts for not to exceed two persons under this appropriation for temporary or intermittent services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), may be renewed annually, and one such contract may provide for a per diem rate of not to exceed \$75.

## CIVIL DEFENSE AND DEFENSE MOBILIZATION FUNCTIONS OF FEDERAL AGENCIES

For expenses necessary to enable other Federal agencies to perform civil defense and defense mobilization functions, including payments by the Department of Labor to State employment security agencies for the full cost of administration of defense manpower mobilization activities, \$5,000,000.

## OFFICE OF SCIENCE AND TECHNOLOGY

## SALARIES AND EXPENSES

For expenses necessary for the Office of Science and Technology, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$750,000.

60 Stat. 810.

## DEPARTMENT OF DEFENSE

## CIVIL DEFENSE, DEPARTMENT OF DEFENSE

## OPERATION AND MAINTENANCE

For expenses, not otherwise provided for, necessary for carrying out civil defense activities, including the hire of motor vehicles; and financial contributions to the States for civil defense purposes, as authorized by law, \$75,000,000, of which not to exceed \$13,500,000 shall be available for allocation under section 205 of the Federal Civil Defense Act of 1950, as amended.

72 Stat. 533.  
50 USC app.  
2286.

## RESEARCH

For expenses, not otherwise provided for, necessary for studies, research, surveys, and marking, to develop measures and plans for civil defense, \$38,000,000, to remain available until expended.

## GENERAL PROVISIONS

Appropriations contained in this Act for carrying out civil defense activities shall not be available in excess of the limitations on appropriations contained in Section 408 of the Federal Civil Defense Act, as amended (50 U.S.C. App. 2260).

64 Stat. 1257.

No part of any appropriation in this Act shall be available for the construction of warehouses or for the lease of warehouse space in any building which is to be constructed specifically for civil defense activities.

No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for construction of fallout shelters in Government owned or leased buildings except where specifically provided.

DEPARTMENT OF HEALTH, EDUCATION, AND  
WELFARE

## PUBLIC HEALTH SERVICE

## EMERGENCY HEALTH ACTIVITIES

For expenses necessary for carrying out emergency planning and preparedness functions of the Public Health Service, and procurement, storage (including underground storage), distribution, and maintenance of emergency civil defense medical supplies and equipment authorized by section 201(h) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C., app. 2281(h)), \$7,000,000, to remain available until expended.

64 Stat. 1248.

## INDEPENDENT OFFICES

### CIVIL AERONAUTICS BOARD

#### SALARIES AND EXPENSES

For necessary expenses of the Civil Aeronautics Board, including employment of temporary guards on a contract or fee basis; not to exceed \$1,000 for official reception and representation expenses; hire, operation, maintenance, and repair of aircraft; hire of passenger motor vehicles; and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$100 per diem; \$9,150,000.

60 Stat. 810.

#### PAYMENTS TO AIR CARRIERS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For payments to air carriers of so much of the compensation fixed and determined by the Civil Aeronautics Board under section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), as is payable by the Board, \$79,564,000, of which not to exceed \$5,000,000 shall be available for subsidy for helicopter operations during the current fiscal year, to remain available until expended.

72 Stat. 763;  
Ante, p. 145.

## CIVIL SERVICE COMMISSION

#### SALARIES AND EXPENSES

For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); not to exceed \$10,000 for medical examinations performed for veterans by private physicians on a fee basis; payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; not to exceed \$83,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767); reimbursement of the General Services Administration for security guard services for protection of confidential files; and not to exceed \$5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; \$21,349,000: *Provided*, That no part of this appropriation shall be available for the Career Executive Board established by Executive Order 10758 of March 4, 1958, as amended.

5 USC 118i,  
118k-118n.

41 USC 5.

5 USC 631 note.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order 9358 of July 1, 1943.

3 CFR 1943-1948  
Comp., p. 256.

#### INVESTIGATION OF UNITED STATES CITIZENS FOR EMPLOYMENT BY INTERNATIONAL ORGANIZATIONS

For expenses necessary to carry out the provisions of Executive Order No. 10422 of January 9, 1953, as amended, prescribing procedures for making available to the Secretary General of the United Nations, and the executive heads of other international organizations, certain information concerning United States citizens employed, or being considered for employment by such organizations, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$430,000: *Provided*, That this appropriation shall be available for advances or reimbursements to the applicable appro-

22 USC 287 note.

priations or funds of the Civil Service Commission and the Federal Bureau of Investigation for expenses incurred by such agencies under said Executive order: *Provided further*, That members of the International Organizations Employees Loyalty Board may be paid actual transportation expenses, and per diem in lieu of subsistence authorized by the Travel Expense Act of 1949, as amended, while traveling on official business away from their homes or regular places of business, including periods while en route to and from and at the place where their services are to be performed: *Provided further*, That nothing in sections 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U.S.C. 99) shall be deemed to apply to any person because of appointment for part-time or intermittent service as a member of the International Organizations Employees Loyalty Board in the Civil Service Commission as established by Executive Order 10422, dated January 9, 1953, as amended.

63 Stat. 166.  
5 USC 835 note.

Conflict of interest.  
62 Stat. 697.

22 USC 287 note.

#### ANNUITIES UNDER SPECIAL ACTS

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U.S.C. 1373a), and the Act of August 19, 1950, as amended (33 U.S.C. 771-775), \$2,000,000.

58 Stat. 257;  
70 Stat. 607.  
64 Stat. 465;  
72 Stat. 49.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS FUND

For payment to the "Employees health benefits fund" of Government contributions with respect to annuitants, as authorized by section 7 of the Federal Employees Health Benefits Act (73 Stat. 713), \$4,200,000, to remain available until expended: *Provided*, That not to exceed \$1,074,000 of the funds in the "Employees health benefits fund" shall be available for reimbursement to the Civil Service Commission for administrative expenses incurred by the Commission during the current fiscal year in the administration of the Federal Employees Health Benefits Act of 1959 (73 Stat. 713), including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

5 USC 3006.

5 USC 3001 note.  
60 Stat. 810.

#### GOVERNMENT CONTRIBUTIONS, RETIRED EMPLOYEES HEALTH BENEFITS FUND

For payment to the "Retired employees health benefits fund" of Government contributions with respect to retired employees, as authorized by section 4 of the Retired Federal Employees Health Benefits Act (74 Stat. 850), \$8,000,000, to remain available until expended: *Provided*, That the unexpended balance of the appropriation granted under this heading for the fiscal year 1962 shall be merged with this appropriation: *Provided further*, That, without regard to the provisions of any other Act, not to exceed \$375,000 of the funds in the "Retired employees health benefits fund" shall be available for reimbursement to the Civil Service Commission for administrative expenses incurred by the Commission during the fiscal year ending June 30, 1963, in the administration of the Retired Federal Employees Health Benefits Act.

5 USC 3053.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, EMPLOYEES LIFE INSURANCE FUND

Not to exceed \$255,000 of the funds in the "Employees life insurance fund" shall be available for reimbursement to the Civil Service Commission for administrative expenses incurred by the Commission during the current fiscal year in the administration of the Federal

68 Stat. 736.  
60 Stat. 810.  
69 Stat. 678.  
72 Stat. 87.

Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091-2103), including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided*, That this limitation shall include expenses incurred under section 10 of the Act, notwithstanding the provisions of section 1 of Public Law 85-377 (5 U.S.C. 2094(c)).

## FEDERAL AVIATION AGENCY

### OPERATIONS

60 Stat. 170.  
49 USC 1101  
note.

For necessary expenses of the Federal Aviation Agency, not otherwise provided for, including administrative expenses for research and development and for establishment of air navigation facilities, and carrying out the provisions of the Federal Airport Act; not to exceed \$10,000 for representation allowances and for official entertainment; purchase of three passenger motor vehicles for replacement only; and purchase and repair of skis and snowshoes; \$480,000,000: *Provided*, That total costs of aviation medicine, including equipment, for the Federal Aviation Agency, whether provided in the foregoing appropriation or elsewhere in this Act, shall not exceed \$5,100,000 or include in excess of 315 positions: *Provided further*, That there may be credited to this appropriation, funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities.

### FACILITIES AND EQUIPMENT

For an additional amount for the acquisition, establishment, and improvement by contract or purchase and hire of air navigation and experimental facilities, including the initial acquisition of necessary sites by lease or grant; the construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Agency stationed at remote localities where such accommodations are not available (at a total cost of construction of not to exceed \$50,000 per housing unit in Alaska); and purchase of six aircraft; \$125,000,000, to remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment of air navigation facilities: *Provided further*, That no part of the foregoing appropriation shall be available for the construction of a new wind tunnel.

### GRANTS-IN-AID FOR AIRPORTS (LIQUIDATION OF CONTRACT AUTHORIZATION)

49 USC 1101-  
1111 *passim*.

For liquidation of obligations incurred under authority granted in the Act of August 3, 1955 (69 Stat. 441), to enter into contracts, \$20,000,000, to remain available until expended.

### GRANTS-IN-AID FOR AIRPORTS

75 Stat. 524.  
49 USC 1104.

For an additional amount for grants-in-aid for airports pursuant to the provisions of the Federal Airport Act, as amended, \$75,000,000, to remain available until expended, as follows: for the purposes of section 5(d)(1) of such Act, \$66,500,000 for the fiscal year 1964; for the purposes of section 5(d)(2) of such Act, \$1,500,000 for the fiscal year 1964; and for the purposes of section 5(d)(3) of such Act, \$7,000,000 for the fiscal year 1964.

## RESEARCH AND DEVELOPMENT

For expenses, not otherwise provided for, necessary for research, development, and service testing in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, \$35,000,000, to remain available until expended.

72 Stat. 731;  
Ante, p. 143.

## OPERATION AND MAINTENANCE, WASHINGTON NATIONAL AIRPORT

For expenses incident to the care, operation, maintenance, improvement and protection of the Washington National Airport, including purchase of two passenger motor vehicles for replacement only, for police type use, which may exceed by \$300 each the general purchase price limitation for the current fiscal year; purchase, cleaning and repair of uniforms; and arms and ammunition; \$3,475,000.

## OPERATION AND MAINTENANCE, DULLES INTERNATIONAL AIRPORT

For expenses incident to the care, operation, maintenance, improvement and protection of the Dulles International Airport, including purchase of one passenger motor vehicle for police type use, which may exceed by \$300 the general purchase price limitation for the current fiscal year; purchase, cleaning and repair of uniforms; and arms and ammunition; \$3,250,000.

## CONSTRUCTION, WASHINGTON NATIONAL AIRPORT

For necessary expenses for construction at Washington National Airport, including acquisition of land, \$2,000,000, to remain available until expended.

CONSTRUCTION AND DEVELOPMENT, ADDITIONAL  
WASHINGTON AIRPORT

For an additional amount for "Construction and development, additional Washington airport", \$3,200,000, to remain available until expended.

## CIVIL SUPERSONIC AIRCRAFT DEVELOPMENT

For expenses, not otherwise provided for, necessary for the development of a civil supersonic aircraft, including advances of funds without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), \$20,000,000, to remain available until expended.

## GENERAL PROVISION

During the current fiscal year applicable appropriations to the Federal Aviation Agency shall be available for the Federal Aviation Agency to conduct the activities specified in the Act of October 26, 1949, as amended (5 U.S.C. 596a), under determinations and regulations by the Administrator of the Federal Aviation Agency; maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; and uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

63 Stat. 907.

68 Stat. 1114.

## FEDERAL COMMUNICATIONS COMMISSION

## SALARIES AND EXPENSES

For necessary expenses in performing the duties of the Commission as authorized by law, including land and structures (not to exceed \$25,000), special counsel fees, improvement and care of grounds and repairs to buildings (not to exceed \$15,000), services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), not to exceed \$500 for official reception and representation expenses, and purchase of not to exceed two passenger motor vehicles for replacement only, \$14,486,000.

60 Stat. 810.

## FEDERAL POWER COMMISSION

## SALARIES AND EXPENSES

For expenses necessary for the work of the Commission, as authorized by law, including hire of passenger motor vehicles, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a) at rates not to exceed \$100 per diem for individuals, \$10,700,000.

## FEDERAL TRADE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 2131), and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$11,282,500: *Provided*, That no part of the foregoing appropriation shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

## GENERAL ACCOUNTING OFFICE

## SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including rental or lease of office space in foreign countries without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), and purchase of one passenger motor vehicle at not to exceed \$6,000, \$43,900,000.

## GENERAL SERVICES ADMINISTRATION

## OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

For necessary expenses, not otherwise provided for, of real property management and related activities as provided by law; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation, and transfer of building space; acquisition by purchase or otherwise of real estate and interests therein; and contractual services incident to cleaning or servicing buildings and moving; \$181,200,000: *Provided*, That this appropriation shall be available, without regard to section 322 of the Act of June 30, 1932, as amended (40 U.S.C. 278a), with respect to buildings, or parts thereof, heretofore leased under the appropriation for "Emergency operating expenses": *Provided further*, That this appropriation

47 Stat. 412,  
1517.

shall be available to provide such fencing, lighting, guard booths, and other removable facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its function of protecting the person of the President of the United States and his immediate family, the President-elect, and the Vice President pursuant to Title 18, U.S.C. 3056.

65 Stat. 122.

#### REPAIR AND IMPROVEMENT OF PUBLIC BUILDINGS

For expenses, not otherwise provided for, necessary to alter public buildings and to acquire additions to sites pursuant to the Public Buildings Act of 1959 (73 Stat. 479) and to alter other Federally-owned buildings and to acquire additions to sites thereof, including grounds, approaches and appurtenances, wharves and piers, together with the necessary dredging adjacent thereto; and care and safeguarding of sites; preliminary planning of projects by contract or otherwise; maintenance, preservation, demolition, and equipment; \$65,000,000, to remain available until expended: *Provided*, That for the purposes of this appropriation, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Post Office Department Property Act of 1954 (39 U.S.C. 2104 et seq.), and buildings under the control of another department or agency where alteration of such buildings is required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of General Services Administration shall be considered to be public buildings.

40 USC 601 note.

68 Stat. 518,  
521.

#### CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

For an additional amount for expenses, not otherwise provided for, necessary to construct public buildings projects and alter public buildings by extension or conversion where the estimated cost for a project is in excess of \$200,000 pursuant to the Public Buildings Act of 1959 (73 Stat. 479), including equipment for such buildings, \$180,955,600, and not to exceed \$500,000 of this amount shall be available to the Administrator for construction of small public buildings outside the District of Columbia as the Administrator approves and deems necessary, all to remain available until expended: *Provided*, That the foregoing amount shall be available for public buildings projects at locations and at maximum construction improvement costs (excluding funds for sites and expenses) as follows:

Post office and courthouse, Juneau, Alaska, \$11,482,600;

Border station (construction and alteration), Nogales, Arizona, \$997,500;

Federal office building, Bakersfield, California, \$1,311,000;

Border patrol station, Calexico, California, \$288,800;

General Services Administration stores depot, Denver, Colorado, \$5,505,200;

Post office and Federal office building, Wallingford, Connecticut, \$836,000;

Post office and courthouse, Gainesville, Florida, \$2,178,300;

Post office and courthouse (construction and alteration), Marianna, Florida, \$518,700;

Federal office building, Tampa, Florida, \$2,254,300;

Post office and Federal office building, Macon, Georgia, \$3,605,400;

Border station, Porthill, Idaho, \$116,800;

Courthouse and Federal office building, Chicago, Illinois, in addition to the sum heretofore provided, \$5,000,000;



Post office and Federal office building, Seymour, Indiana, \$455,000;  
Post office and courthouse (construction and alteration), Owensboro, Kentucky, \$280,200;  
Federal office building (construction and alteration), New Orleans, Louisiana, \$1,225,500;  
Post office and courthouse (construction and alteration), New Orleans, Louisiana, \$3,447,500;  
Post office and Federal office building, Augusta, Maine, \$2,470,000;  
Border patrol sector headquarters, Houlton, Maine, \$318,200;  
Federal office building, Boston, Massachusetts, \$27,114,900;  
Post office, Webster, Massachusetts, \$390,400;  
Post office and courthouse (construction and alteration), Grand Rapids, Michigan, \$700,100;  
Border station, Pigeon River, Minnesota, \$281,200;  
Post office and courthouse, Clarksdale, Mississippi, \$1,164,700;  
Federal office building, Kansas City, Missouri, \$29,816,700;  
Courthouse and Federal office building, Billings, Montana, \$5,342,800;  
Post office and courthouse (construction and alteration), Grand Island, Nebraska, \$305,900;  
Post office and courthouse, North Platte, Nebraska, \$1,444,000;  
Courthouse and Federal office building, Reno, Nevada, \$3,310,700;  
Post office and courthouse, Concord, New Hampshire, \$3,187,200;  
Courthouse and Federal office building, Albuquerque, New Mexico, \$6,932,100;  
Post office and courthouse, Fayetteville, North Carolina, \$2,022,500;  
Post office and courthouse (construction and alteration), Grand Forks, North Dakota, \$308,700;  
Post office and Federal office building (construction and alteration), Canton, Ohio, \$2,503,200;  
Post office and courthouse (construction and alteration), Oklahoma City, Oklahoma, \$754,300;  
Post office Federal office building and courthouse, Tulsa, Oklahoma, \$8,958,500;  
Post office and Federal office building, Westerly, Rhode Island, \$469,300;  
Post office and courthouse, Pierre, South Dakota, \$2,482,300;  
Post office and Federal office building, Sioux Falls, South Dakota, \$2,565,000;  
Post office and courthouse, Winchester, Tennessee, \$860,900;  
Post office and Federal office building, Austin, Texas, \$9,257,700;  
Border station, Del Rio, Texas, \$285,000;  
Border patrol sector headquarters, Del Rio, Texas, \$437,000;  
Post office and courthouse (construction and alteration), Houston, Texas, \$1,323,300;  
Courthouse and Federal office building, Ogden, Utah, \$4,493,500;  
Post office and courthouse, Montpelier, Vermont, in addition to the sum heretofore provided, \$509,000;  
Health, Education, and Welfare office building (construction and alteration), Charlottesville, Virginia, \$2,062,400;  
Post office and Federal office building, Richland, Washington, \$7,716,800;  
Post office and courthouse, Cheyenne, Wyoming, \$4,664,500: *Provided further*, That the foregoing limits of costs may be exceeded to the extent that savings are effected in other projects, but by not to exceed 10 per centum: *Provided further*, That not to exceed \$6,500,000 of the foregoing appropriation may be used for partial construction of the authorized public building project at Baltimore, Maryland.

## SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

For an additional amount for expenses necessary in connection with the construction of public buildings projects not otherwise provided for, as specified under this head in the Independent Offices Appropriation Acts of 1959 and 1960, including preliminary planning of public buildings projects by contract or otherwise, \$27,500,000, to remain available until expended.

72 Stat. 1066;  
73 Stat. 505.

## PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

For payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), \$5,440,000.

68 Stat. 518.

## ADDITIONAL COURT FACILITIES

For an additional amount for expenses, not otherwise provided for, necessary to provide, directly or indirectly, additional space, facilities and courtrooms for the judiciary, including alteration and extension of Government-owned buildings and acquisition of additions to sites of such buildings; rents; furnishings and equipment; repair and alteration of rented space; moving Government agencies in connection with the assignment and transfer of space; preliminary planning; preparation of drawings and specifications by contract or otherwise; and administrative expenses; \$8,500,000, to remain available until expended.

## OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

For expenses, not otherwise provided, necessary for supply distribution, procurement, inspection, operation of the stores depot system (including contractual services incident to receiving, handling, and shipping warehouse items), and other supply management and related activities, as authorized by law, \$40,500,000.

## GENERAL SUPPLY FUND

To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U.S.C. 630g), \$13,500,000.

63 Stat. 377,  
382.  
*Ante*, p. 401.

## OPERATING EXPENSES, UTILIZATION AND DISPOSAL SERVICE

For necessary expenses, not otherwise provided for, incident to the utilization and disposal of excess and surplus property, as authorized by law, \$8,500,000, to be derived from proceeds from the transfer of excess property and the disposal of surplus property.

## OPERATING EXPENSES, NATIONAL ARCHIVES AND RECORDS SERVICE

For necessary expenses in connection with Federal records management and related activities as provided by law, including reimbursement for security guard services, and contractual services incident to movement or disposal of records, \$14,000,000.

## OPERATING EXPENSES, TRANSPORTATION AND COMMUNICATIONS SERVICE

For necessary expenses of transportation, communications and public utilities management and related activities, as provided by law, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$75 per diem for individuals, \$4,097,000.

60 Stat. 810.

## STRATEGIC AND CRITICAL MATERIALS

60 Stat. 596. For necessary expenses in carrying out the provisions of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h), during the current fiscal year, for transportation and handling, within the United States (including charges at United States ports), storage, security, and maintenance of strategic and other materials acquired for or transferred to the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)), not to exceed \$2,000,000 for carrying out the provisions of the National Industrial Reserve Act of 1948 (50 U.S.C. 451-462), relating to machine tools and industrial manufacturing equipment for which the General Services Administration is responsible, including reimbursement for security guard services, services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), and not to exceed \$3,000,000 for operating expenses, \$18,000,000, to be derived from sales of strategic and critical materials: *Provided*, That no part of funds available shall be used for construction of warehouses or tank storage facilities: *Provided further*, That during the current fiscal year the General Services Administration is authorized to acquire leasehold interests in property, for periods not in excess of twenty years, for the storage, security, and maintenance of strategic, critical, and other materials and equipment held pursuant to the aforesaid Acts provided said leasehold interests are at nominal cost to the Government: *Provided further*, That during the current fiscal year, there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with section 6(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)), may be transferred without reimbursement to stockpiles established in accordance with said Act: *Provided further*, That any receipts from sales during the current fiscal year shall be promptly deposited into the Treasury except as otherwise provided herein: *Provided further*, That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended, and, after compliance with the disposal requirements of section 3(e) of the Strategic and Critical Materials Stock Piling Act, excess materials in the national stockpile established pursuant to that Act, shall be available, without reimbursement, for transfer at fair market value to contractors as payment for expenses of refining, processing, or otherwise beneficiating materials, pursuant to section 3(c) of the Strategic and Critical Materials Stock Piling Act, into a form best suitable for stockpiling.

60 Stat. 598. 64 Stat. 798.  
50 USC app.  
2061. 50 USC 98b.

## SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR

For expenses of executive direction for activities under the control of the General Services Administration, \$1,350,000: *Provided*, That not to exceed \$500 shall be available for reception and representation expenses.

## ALLOWANCES AND OFFICE FACILITIES FOR FORMER PRESIDENTS

3 USC 102 note. For carrying out the provisions of the Act of August 25, 1958 (72 Stat. 838), \$320,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of sections (a) and (e) of such Act.

## ADMINISTRATIVE OPERATIONS FUND

Funds available to General Services Administration for administrative operations, in support of program activities, and for reimbursable services, shall be expended and accounted for, as a whole, through a single fund, which is hereby authorized: *Provided*, That costs and obligations for such administrative operations, and for reimbursable services for the respective program activities and for other agencies, shall be accounted for in accordance with systems approved by the General Accounting Office: *Provided further*, That the total amount deposited into said account for administrative operations for the fiscal year 1963 from funds made available to General Services Administration in this Act (excluding reimbursements for automatic data processing services) shall not exceed \$11,400,000: *Provided further*, That amounts deposited into said account for administrative operations for each program (excluding reimbursements for automatic data processing services) shall not exceed the amounts included in the respective program appropriations for such purposes.

## GENERAL PROVISIONS

The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129); (2) reimbursements for services performed in respect to bonds and other obligations under the jurisdiction of the General Services Administration, issued by public authorities, States, or other public bodies, and such services in respect to such bonds or obligations as the Administrator deems necessary and in the public interest may, upon the request and at the expense of the issuing agencies, be provided from the appropriate foregoing appropriation; and (3) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U.S.C. 451 ff), and such appropriations or funds may be so transferred, with the approval of the Bureau of the Budget.

61 Stat. 584.

62 Stat. 1225.

Appropriations to the General Services Administration under the heading "Construction, Public Buildings Projects" made in this Act shall be available, subject to the provisions of the Public Buildings Act of 1959 for (1) acquisition of buildings and sites thereof by purchase, condemnation, or otherwise, including prepayment of purchase contracts, (2) extension or conversion of Government-owned buildings, and (3) construction of new buildings, in addition to those set forth under that appropriation: *Provided*, That nothing herein shall authorize an expenditure of funds for acquisition, extension or conversion, or construction without the approval of the Committees on Appropriations of the Senate and House of Representatives.

73 Stat. 479.  
40 USC 601 note.

Expenditures heretofore made pursuant to contract or stipulation from, and unexpended obligations heretofore incurred against, appropriations under the heading "Construction, Public Buildings Projects" in prior Appropriation Acts for the purposes of acquisition of buildings and sites thereof by purchase, condemnation, or otherwise, including prepayment of purchase contracts, are hereby ratified.

Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

No part of any money appropriated by this or any other Act for any agency of the executive branch of the Government shall be used during the current fiscal year for the purchase within the continental

limits of the United States of any typewriting machines except in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

63 Stat. 377.  
40 USC 471 note.

Not to exceed 2 per centum of any appropriation made available to the General Services Administration for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be increased thereby more than 2 per centum: *Provided*, That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of \$2,000,000.

40 USC 601 note.

Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for (a) reimbursement to the General Services Administration for those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 479) or other applicable law, and (b) transfer or reimbursement to applicable appropriations to said Administration for rents and related expenses, not otherwise provided for, of providing, directly or indirectly, such suitable general purpose space as may be required by any such department or agency, in the District of Columbia or elsewhere.

No part of any appropriation contained in this Act shall be used for the payment of rental on lease agreements for the accommodation of Federal agencies in buildings and improvements which are to be erected by the lessor for such agencies at an estimated cost of construction in excess of \$200,000 or for the payment of the salary of any person who executes such a lease agreement: *Provided*, That the foregoing proviso shall not be applicable to projects for which a prospectus for the lease construction of space has been submitted to and approved by the appropriate Committees of the Congress in the same manner as for public buildings construction projects pursuant to the Public Buildings Act of 1959.

## HOUSING AND HOME FINANCE AGENCY

### OFFICE OF THE ADMINISTRATOR

#### SALARIES AND EXPENSES

For necessary expenses of the Office of the Administrator, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$75 per diem for individuals; and purchase of two passenger motor vehicles for replacement only; \$14,500,000: *Provided*, That necessary expenses of inspections and of providing representatives at the site of projects being planned or undertaken by local public agencies pursuant to title I of the Housing Act of 1949, as amended, projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950, as amended, projects and facilities financed by loans to public agencies pursuant to title II of the Housing Amendments of 1955, as amended, urban planning financed through grants to State and local government agencies pursuant to title VII of the Housing Act of 1954, as amended, and reserves of planned public works financed through advances to municipalities and other public agencies pursuant to title VII of the Housing Act of 1954, as amended, shall be compensated by such agencies or institutions by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative; and for the

60 Stat. 810.

63 Stat. 413.  
42 USC 1450-  
1464.

64 Stat. 77.  
12 USC 1749-  
1749c.

69 Stat. 642.  
42 USC 1491-  
1497.

68 Stat. 640.  
40 USC 460-462.

purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions, or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made, but such nonadministrative expenses shall not exceed \$3,250,000.

#### URBAN PLANNING GRANTS

For grants in accordance with the provisions of section 701 of the Housing Act of 1954, as amended, \$18,000,000.

73 Stat. 678.  
40 USC 461.

#### URBAN STUDIES AND HOUSING RESEARCH

For urban studies and housing research as authorized by the Housing Acts of 1948 and 1956, as amended, including administrative expenses in connection therewith, \$375,000.

12 USC 1747  
note, 1703 note.

#### MASS TRANSPORTATION LOANS AND GRANTS

For necessary expenses in connection with loans including purchase of securities and obligations in connection with mass transportation facilities, as authorized by clause (2) of section 202 (a) of the Housing Amendments of 1955, as amended, and grants in connection with mass transportation demonstration projects, as authorized by section 103 (b) of the Housing Act of 1949, as amended, including not to exceed \$200,000 for administrative expenses, \$32,500,000: *Provided*, That no part of this appropriation shall be used for administrative expenses in connection with loans including the purchase of securities and obligations which are to be financed with funds borrowed from the Secretary of the Treasury or grants to be made requiring payments in excess of the amount herein appropriated therefor.

75 Stat. 173.  
42 USC 1492.  
63 Stat. 416.  
42 USC 1453.

#### OPEN SPACE LAND GRANTS

For expenses in connection with grants to aid in the acquisition of open-space land or interests therein, and with the provision of technical assistance to State and local public bodies (including the undertaking of studies and publication of information), \$15,000,000: *Provided*, That not to exceed \$250,000 may be used for administrative expenses and technical assistance, and no part of this appropriation shall be used for administrative expenses in connection with grants requiring payments in excess of the amount herein appropriated therefor.

#### LOW INCOME HOUSING DEMONSTRATION PROGRAMS

For low income housing demonstration programs pursuant to section 207 of the Housing Act of 1961, \$3,000,000: *Provided*, That not to exceed \$40,000 of this appropriation may be used for administrative expenses, and no part shall be used for administrative expenses in connection with contracts to make grants in excess of the amount herein appropriated therefor.

75 Stat. 165.  
42 USC 1436.

#### PUBLIC WORKS PLANNING FUND

For the revolving fund established pursuant to section 702 of the Housing Act of 1954, as amended (40 U.S.C. 462), \$12,000,000.

69 Stat. 641;  
75 Stat. 175.  
40 USC 462.

## URBAN RENEWAL FUND (LIQUIDATION OF CONTRACT AUTHORIZATION)

63 Stat. 413.

For an additional amount for payment of grants as authorized by title I of the Housing Act of 1949, as amended (42 U.S.C. 1453, 1456), \$300,000,000.

## HOUSING FOR THE ELDERLY FUND

73 Stat. 667.

For the revolving fund established pursuant to section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q et seq.), \$45,000,000.

## PUBLIC HOUSING ADMINISTRATION

## ANNUAL CONTRIBUTIONS

For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U.S.C. 1410), \$180,000,000.

## ADMINISTRATIVE EXPENSES

For administrative expenses of the Public Housing Administration, \$14,359,000, to be expended under the authorization for such expenses contained in title II of this Act.

## INTERSTATE COMMERCE COMMISSION

## SALARIES AND EXPENSES

60 Stat. 810.

For necessary expenses of the Interstate Commerce Commission, including not to exceed \$5,000 for the employment of special counsel; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$100 per diem; and purchase of not to exceed fifty-seven passenger motor vehicles of which fifty-five shall be for replacement only; \$22,606,000, of which not less than \$1,753,700 shall be available for expenses necessary to carry out railroad safety activities and not less than \$1,170,800 shall be available for expenses necessary to carry out locomotive inspection activities: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

NATIONAL AERONAUTICS AND SPACE  
ADMINISTRATION

## RESEARCH, DEVELOPMENT, AND OPERATION

68 Stat. 1114.

For necessary expenses, not otherwise provided for, of the National Aeronautics and Space Administration, including research, development, operations, technical services; repairs, alterations, minor construction; supplies, materials, and equipment; uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); purchase of aircraft (including not to exceed three for administrative use); hire, maintenance and operation of aircraft; hire of passenger motor vehicles; and purchase of ten passenger motor vehicles for replacement only; \$2,897,878,000, to remain available until expended.

## CONSTRUCTION OF FACILITIES

For advance planning, design and construction of facilities for the National Aeronautics and Space Administration and for the acquisition or condemnation of real property, as authorized by law, \$776,237,000, to remain available until expended.

## GENERAL PROVISIONS

Not to exceed 5 per centum of any appropriation made available to the National Aeronautics and Space Administration by this Act may be transferred to any other such appropriation.

Not to exceed \$26,250 of appropriations other than "Construction of facilities" in this Act for the National Aeronautics and Space Administration shall be available for scientific consultations and emergency or extraordinary expense, to be expended upon the approval or authority of the Administrator and his determination shall be final and conclusive.

## NATIONAL CAPITAL HOUSING AUTHORITY

## OPERATION AND MAINTENANCE OF PROPERTIES

For the operation and maintenance of properties under title I of the District of Columbia Alley Dwelling Act, \$40,000: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly: *Provided further*, That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475, Eighty-first Congress), shall not be effective.

48 Stat. 930.  
D. C. Code  
5-111.

64 Stat. 81.

## NATIONAL SCIENCE FOUNDATION

## SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), including award of graduate fellowships; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase of two passenger motor vehicles (including one medium sedan for replacement only at not to exceed \$3,000); hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services; \$322,500,000, to remain available until expended: *Provided*, That of the foregoing amount not less than \$37,600,000 shall be available for tuition, grants, and allowances in connection with a program of supplementary training for secondary school science and mathematics teachers: *Provided further*, That not to exceed \$1,000,000 of the foregoing appropriation may be used to purchase foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(k) of that Act.

64 Stat. 149.

72 Stat. 275.

## RENEGOTIATION BOARD

## SALARIES AND EXPENSES

For necessary expenses of the Renegotiation Board, including hire of passenger motor vehicles and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$2,450,000.

60 Stat. 810.



## SECURITIES AND EXCHANGE COMMISSION

## SALARIES AND EXPENSES

68 Stat. 1114. For necessary expenses, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 2131), and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$100 per diem, \$12,800,000.

## SELECTIVE SERVICE SYSTEM

## SALARIES AND EXPENSES

50 USC app.  
451 note.  
60 Stat. 810.  
31 USC 665.

For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Universal Military Training and Service Act (62 Stat. 604), as amended, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase of seventeen passenger motor vehicles for replacement only; not to exceed \$62,000 for the National Selective Service Appeal Board; and \$38,000 for the National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists; \$37,585,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense.

## VETERANS ADMINISTRATION

## GENERAL OPERATING EXPENSES

For necessary operating expenses of the Veterans Administration, not otherwise provided for, including expenses incidental to securing employment for war veterans; uniforms or allowances therefor, as authorized by law; not to exceed \$1,000 for official reception and representation expenses; reimbursement of the Department of the Army for the services of the officer assigned to the Veterans' Administration to serve as Assistant Deputy Administrator; purchase of one passenger motor vehicle at not to exceed \$7,500; and reimbursement of the General Services Administration for security guard service; \$157,669,000: *Provided*, That no part of this appropriation shall be used to pay in excess of twenty-two persons engaged in public relations work: *Provided further*, That no part of this appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of \$1 per month for each eligible veteran enrolled in and attending such institution.

## MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For expenses necessary for administration of the medical, hospital, domiciliary, construction and supply, research, employee education and training activities, as authorized by law, \$13,772,000.

## MEDICAL AND PROSTHETIC RESEARCH

For expenses necessary for carrying out programs of medical and prosthetic research and development, as authorized by law, to remain available until expended, \$30,500,000, of which \$1,000,000 shall be for prosthetic research and development activities.

## MEDICAL CARE

For expenses necessary for the maintenance and operation of hospitals and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Veterans Administration including care and treatment in facilities not under the jurisdiction of the Veterans Administration, and furnishing recreational articles and facilities; maintenance, operation and acquisition of farms and burial grounds; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Veterans Administration, not otherwise provided for, either by contract, or by the hire of temporary employees and purchase of materials; purchase of eighty-eight passenger motor vehicles for replacement only; uniforms or allowances therefor as authorized by law (5 U.S.C. 2131); and aid to State homes as authorized by section 641 of title 38, United States Code; \$1,017,892,000, plus reimbursements: *Provided*, That allotments and transfers may be made from this appropriation to the Department of Health, Education, and Welfare (Public Health Service), the Army, Navy, and Air Force Departments, for disbursements by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans Administration.

68 Stat. 1114.

72 Stat. 1146.

## COMPENSATION AND PENSIONS

For the payment of compensation, pensions, gratuities, and allowances (including burial awards authorized by section 902 of title 38, United States Code, and subsistence allowances for vocational rehabilitation), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of May 19, 1924, as amended, \$3,832,000,000, to remain available until expended.

72 Stat. 1169.

43 Stat. 125,  
128.

## READJUSTMENT BENEFITS

For the payment of benefits to or on behalf of veterans as authorized by part VIII, Veterans Regulation No. 1(a), as saved from repeal by section 12(a) of the Act of September 2, 1958 (72 Stat. 1264), and chapters 21, 33, 35, 37, and 39 of title 38, United States Code, and for supplies, equipment, and tuition authorized by chapter 31 of title 38, United States Code, \$91,500,000, to remain available until expended.

38 USC note  
prec. pt. 1.  
72 Stat. 1167 et  
seq.

## VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, for national service life insurance, for servicemen's indemnities, and for service-disabled veterans insurance, \$32,000,000, to remain available until expended.

## GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants in accordance with sections 631 to 634 of title 38, United States Code, for expenses incident to medical care and treatment of veterans, \$500,000.

72 Stat. 1145.

## CONSTRUCTION OF HOSPITAL AND DOMICILIARY FACILITIES

For hospital and domiciliary facilities, for planning and for major alterations, improvements, and repairs and extending any of the facilities under the jurisdiction of the Veterans Administration or for any of the purposes set forth in sections 5001, 5002, and 5004, title 38, United States Code, \$77,000,000, to remain available until expended: *Provided*, That the limitation under the head "Hospital and domiciliary facilities" in the Independent Offices Appropriation Act, 1956, on the amount available for technical services for rehabilitation of the neuropsychiatric hospital at Downey, Illinois, is reduced from "\$2,900,000" to "\$2,063,225".

72 Stat. 1251.

69 Stat. 211.

## LOAN GUARANTY REVOLVING FUND

During the current fiscal year, the Loan guaranty revolving fund shall be available for expenses, but not to exceed \$220,545,000, for property acquisitions and other loan guaranty and insurance operations under Chapter 37, title 38, United States Code, except administrative expenses, as authorized by section 1824 of such title: *Provided*, That the retained earnings of the Direct loans to veterans and reserves revolving fund shall be available, during the current fiscal year, for transfer to said Loan guaranty revolving fund in such amounts as may be necessary to provide for the foregoing expenses.

72 Stat. 1203;  
74 Stat. 532.  
38 USC 1801-  
1825.

## SUPPLY FUND

During the current fiscal year, the Supply fund shall be available for the purchase of one passenger motor vehicle for replacement only.

## ADMINISTRATIVE PROVISIONS

Not to exceed 5 per centum of any appropriation for the current fiscal year for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations, but not to exceed 10 per centum of the appropriations so augmented.

Appropriations available to the Veterans Administration for the current fiscal year for salaries and expenses shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

60 Stat. 810.

The appropriation available to the Veterans Administration for the current fiscal year for "Medical care" shall be available for funeral, burial, and other expenses incidental thereto (except burial awards authorized by section 902 of title 38, United States Code), for beneficiaries of the Veterans Administration receiving care under such appropriations.

72 Stat. 1169.

No part of the appropriations in this Act for the Veterans Administration (except the appropriation for "Construction of hospital and domiciliary facilities") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

## INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System, to travel performed in connection with the investigation of aircraft accidents by the Civil Aeronautics Board, or to payments to interagency motor pools where separately set forth in the budget schedules.

Travel expenses.

SEC. 103. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

Positions of employees entering Armed Forces.

SEC. 104. No part of any appropriation made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

Real estate purchase or sale, restriction.

## TITLE II—CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the current fiscal year for each such corporation or agency, except as hereinafter provided:

61 Stat. 584.  
31 USC 849.

## FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES,  
FEDERAL HOME LOAN BANK BOARD

Not to exceed a total of \$2,037,500 shall be available for administrative expenses of the Federal Home Loan Bank Board, which may procure services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$100 per diem for individuals, and contracts for such services with one organization may be renewed annually, purchase of one passenger motor vehicle (medium sedan) at not to exceed \$3,000, and uniforms or allowances therefor in accordance with the Act of September 1, 1954, as amended (5 U.S.C. 2131-2133), and said amount shall be derived from funds available to the Federal Home Loan Bank Board, including those in the Federal Home Loan Bank Board revolving fund and receipts of the Federal Home Loan Bank Board for the current fiscal year and prior fiscal years, and the Board may utilize and may make payment for services and facilities of the Federal home loan banks, the Federal Reserve

60 Stat. 810.

68 Stat. 1114.

banks, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government (including payment for office space): *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation or preparation for or conduct of proceedings under section 5(d) of the Home Owners' Loan Act of 1933 or section 407 or 408 of the National Housing Act and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That members and alternates of the Federal Savings and Loan Advisory Council shall be entitled to reimbursement from the Board as approved by the Board for transportation expenses incurred in attendance at meetings of or concerned with the work of such Council and may be paid not to exceed \$25 per diem in lieu of subsistence: *Provided further*, That expenses of any functions of supervision (except of Federal home-loan banks) vested in or exercisable by the Board shall be considered as nonadministrative expenses: *Provided further*, That not to exceed \$1,000 shall be available for official reception and representation expenses: *Provided further*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U.S.C. 1421-1449): *Provided further*, That the nonadministrative expenses (except those included in the first proviso hereof) for the supervision and examination of Federal and State chartered institutions (other than special examinations determined by the Board to be necessary) shall not exceed \$11,500,000.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Not to exceed \$1,140,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions or preparation for or conduct of proceedings under section 407 or 408 of the National Housing Act, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses, and payments for expenses of the Federal Home Loan Bank Board determined by said Board to be properly allocable to said Corporation, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Home Loan Bank Board, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U.S.C. 1724-1730a).

68 Stat. 634.  
12 USC 1464.  
64 Stat. 259;  
73 Stat. 691.  
12 USC 1730,  
1730a.

64 Stat. 259;  
73 Stat. 691.  
12 USC 1730,  
1730a.

48 Stat. 1255.

## GENERAL SERVICES ADMINISTRATION

## LIMITATION ON ADMINISTRATIVE EXPENSES, RECONSTRUCTION FINANCE CORPORATION LIQUIDATION FUND

Not to exceed \$25,000 (to be computed on an accrual basis) of the funds derived from liquidation of functions of Reconstruction Finance Corporation transferred to General Services Administration under Reorganization Plan No. 1 of 1957 (22 F.R. 4633), shall be available during the current fiscal year for administrative expenses incident to the liquidation of said functions: *Provided*, That as used herein the term "administrative expenses" shall be construed to include all salaries and wages, services performed on a contract or fee basis, and travel and other expenses, including the purchase of equipment and supplies, of administrative offices, but this amount shall be exclusive of costs of services performed on a contract or fee basis in connection with the termination of contracts or in the performance of legal services: *Provided further*, That the distribution of administrative expenses to the account shall be made in accordance with generally recognized accounting principles and practices.

71 Stat. 647.  
5 USC 133z-15  
note.

## HOUSING AND HOME FINANCE AGENCY

## LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINISTRATOR, COLLEGE HOUSING LOANS

Not to exceed \$1,800,000 shall be available for all administrative expenses of carrying out the functions of the Administrator under the program of housing loans to educational institutions (title IV of the Housing Act of 1950, as amended, 12 U.S.C. 1749-1749d), but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended, 12 U.S.C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States.

64 Stat. 77.

## LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINISTRATOR, PUBLIC FACILITY LOANS

Not to exceed \$1,150,000 of funds in the revolving funds established pursuant to title II of the Housing Amendments of 1955, as amended, shall be available for administrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended, 12 U.S.C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States.

69 Stat. 642.  
42 USC 1491-  
1497.

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES,  
OFFICE OF THE ADMINISTRATOR, HOUSING FOR THE ELDERLY

73 Stat. 667.

Not to exceed \$725,000 of funds in the revolving fund established pursuant to section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q et seq.), shall be available for administrative and non-administrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal National Mortgage Association, the Federal Reserve banks or any member thereof, the Federal home-loan banks and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended (12 U.S.C. 264)) which has been designated by the Secretary of the Treasury as a depository of public money of the United States.

LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINIS-  
TRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

During the current fiscal year not to exceed \$145,000 shall be available for administrative expenses, but this amount shall be exclusive of expenses necessary in the case of defaulted obligations to protect the interests of the Government and legal services on a contract or fee basis and of payment for services and facilities of the Federal Reserve banks or any member thereof, any servicer approved by the Federal National Mortgage Association, the Federal home-loan banks, and any insured bank within the meaning of the Act of August 23, 1935, as amended, creating the Federal Deposit Insurance Corporation (12 U.S.C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
NATIONAL MORTGAGE ASSOCIATION

Not to exceed \$8,250,000 shall be available for administrative expenses, which shall be on an accrual basis, and shall be exclusive of interest paid, expenses (including expenses for fiscal agency services performed on a contract or fee basis) in connection with the issuance and servicing of securities, depreciation, properly capitalized expenditures, fees for servicing mortgages, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Association or in which it has an interest, cost of salaries, wages, travel, and other expenses of persons employed outside of the continental United States, expenses of services performed on a contract or fee basis in connection with the performance of legal services, and all administrative expenses reimbursable from other Government agencies, and said Association may utilize and may make payment for services and facilities of the Federal Reserve banks and other agencies of the Government: *Provided*, That the distribution of administrative expenses to the accounts of the Association shall be made in accordance with generally recognized accounting principles and practices.

**LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES,  
FEDERAL HOUSING ADMINISTRATION**

For administrative expenses in carrying out duties imposed by or pursuant to law, not to exceed \$10,400,000 of the various funds of the Federal Housing Administration shall be available, in accordance with the National Housing Act, as amended (12 U.S.C. 1701), including uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131): *Provided*, That funds shall be available for contract actuarial services (not to exceed \$1,500): *Provided further*, That nonadministrative expenses of all kinds regardless of source classified by section 2 of Public Law 387, approved October 25, 1949, including all appraisal fees regardless of source or method of financing shall not exceed \$67,500,000: *Provided further*, That the foregoing limitation shall not apply to fees and other expenses paid by and between private parties in connection with cases processed under the Certified Agency Program.

48 Stat. 1246.

68 Stat. 1114.

63 Stat. 905.  
12 USC 1702.

**LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES,  
PUBLIC HOUSING ADMINISTRATION**

Not to exceed the amount appropriated for such expenses by title I of this Act shall be available for the administrative expenses of the Public Housing Administration in carrying out the provisions of the United States Housing Act of 1937, as amended (42 U.S.C. 1401-1433), including purchase of uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); and purchase of not to exceed one passenger motor vehicle for replacement only: *Provided*, That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the costs of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects: *Provided further*, That all expenses of the Public Housing Administration not specifically limited in this Act, in carrying out its duties imposed by law, shall not exceed \$1,200,000.

50 Stat. 888.

68 Stat. 1114.

**TITLE III—GENERAL PROVISIONS**

**SEC. 301.** No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

Publicity or  
propaganda.

**SEC. 302.** No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the corporation or agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in person-

Personnel work.



nel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; wage administration; and processing, recording, and reporting.

Fallout shelters. SEC. 303. No part of any appropriation contained in this or any other Act, or of any funds available for expenditure by any corporation or agency, shall be used for construction of fallout shelters unless the specific projects have been authorized by appropriate Committees of the Congress.

Research projects. SEC. 304. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount for indirect expenses in connection with such project in excess of 25 per centum of the direct costs.

Short title. This Act may be cited as the "Independent Offices Appropriation Act, 1963".

Approved October 3, 1962.

## Public Law 87-742

### AN ACT

October 3, 1962  
[H. R. 11266]

To amend the Act of March 8, 1922, as amended, to extend its provisions to the townsite laws applicable in the State of Alaska.

Alaska.  
Coal, oil or gas  
lands, disposi-  
tion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3 of the Act of March 8, 1922 (42 Stat. 415), as amended (75 Stat. 384; 48 U.S.C. 376, 377, 377a), is further amended to read as follows:

"SEC. 3. The Secretary of the Interior may (a) sell under the provisions of section 2455 of the Revised Statutes (43 U.S.C. 1171), as amended, or (b) make disposition under the following townsite laws, as amended: Sections 2380 and 2381 of the Revised Statutes (43 U.S.C. 711, 712); section 11 of the Act of March 3, 1891 (26 Stat. 1009; 48 U.S.C. 355); Act of May 25, 1926 (44 Stat. 629; 48 U.S.C. 355a-355d); and Act of March 12, 1914 (38 Stat. 305; 48 U.S.C. 301, 302, 303-308), of any lands in Alaska known to contain workable coal, oil or gas deposits, or that may be valuable for the coal, oil or gas contained therein, and which are otherwise subject to sale or disposition under said section 2455, as amended, or the said townsite laws, as amended, upon the condition that the patent issued to the purchaser thereof shall contain the reservation required by section 2 of this Act."

Approved October 3, 1962.

## Public Law 87-743

### AN ACT

October 3, 1962  
[H. R. 11728]

To amend section 1208(a) of the Merchant Marine Act, 1936, to authorize investment of the war risk insurance fund in securities of, or guaranteed by, the United States.

War risk insur-  
ance fund.  
Investment.  
64 Stat. 775.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1288(a)), is amended by inserting at the end thereof the following: "Upon the request of the Secretary of Commerce, the Secretary of the Treasury may invest or reinvest all or any part of the fund in securities of the United States or in securities guaranteed as to principal and interest by the United States. The interest and benefits accruing from such securities shall be deposited to the credit of the fund."

Approved October 3, 1962.

## Public Law 87-744

## AN ACT

October 3, 1962  
[H. R. 12818]

To amend the Act of July 13, 1946, to authorize the construction, maintenance, and operation of certain additional toll bridges over or across the Delaware River and Bay.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That sections 3, 4, and 5 of the Act entitled "An Act to authorize the State of Delaware, by and through its State highway department, to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Delaware", approved July 13, 1946 (60 Stat. 533), are hereby amended to read as follows:

Delaware River  
and Bay.  
Additional toll  
bridges.

"SEC. 3. The Delaware River and Bay Authority or its successor is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of the Army under the authority of the General Bridge Act of 1946.

Delaware River  
and Bay Authority,  
toll charges.

"SEC. 4. The Delaware River and Bay Authority or its successor in fixing the rates of toll to be charged for the use of such bridge and in fixing the rates of toll to be charged for the use of each additional bridge over or across the Delaware River and Bay operated under the authority conferred in section 5 of this Act, shall from time to time adjust them, together with the rates of tolls and other charges made for the use of any other toll crossings under, over, along, or across the Delaware River and Bay between the States of Delaware and New Jersey, which it may be operating so as to provide a fund sufficient—

60 Stat. 847.  
33 USC 525  
note.

"(1) to pay the reasonable cost of maintaining, repairing, improving, and operating said bridge and such other toll crossings and the approaches thereto under economical management;

"(2) to pay the cost of constructing, reconstructing, or improving all toll crossings operated by the Delaware River and Bay Authority;

"(3) to pay the principal of and the interest upon bonds issued for the cost of said bridge and toll crossings, including bonds issued to refund such bonds at or prior to maturity and financing costs; and

"(4) to provide constructing, operating, improving, repairing, maintenance, and debt service reserve funds of such character and amount as the Delaware River and Bay Authority or its successors shall determine to be necessary to insure the proper construction, operation, maintenance, repair, and improvement of the bridge and other toll crossings, and to protect the holders of bonds issued to finance the cost of said bridge and other toll crossings.

"SEC. 5. The Delaware River and Bay Authority, or its successor, is hereby authorized to construct, maintain, and operate additional toll bridges over or across the Delaware River and Bay between the States of Delaware and New Jersey in accordance with the provisions of the General Bridge Act of 1946, except that the fixing, changing, and adjusting of rates of toll and the duration of toll charges for use of said additional bridges shall not be subject to the provisions of section 506 of the said General Bridge Act of 1946. In addition to the powers granted to the Delaware River and Bay Authority by the laws of the States of Delaware and New Jersey there is hereby conferred upon said authority, or its successor all such rights and powers to enter upon land and acquire, condemn, occupy, possess, and use real

Construction,  
maintenance, and  
operation.

62 Stat. 267.  
33 USC 529.

estate and other property needed for the location, construction, improvement, maintenance, and operation of additional bridges over or across the Delaware River and Bay as are possessed by railroad corporations for railroad purposes in the State in which such real estate or other property is situate, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes of such State."

Reservation.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved October 3, 1962.

## Public Law 87-745

### AN ACT

October 3, 1962  
[S. 2793]

To amend the District of Columbia Traffic Act, 1925, as amended, to authorize the Commissioners of the District of Columbia to assess reasonable fees for the restoration of motor vehicle operators' permits and operating privileges after suspension or revocation thereof.

D. C.  
Motor vehicle  
operators' per-  
mits, restoration  
fees.  
46 Stat. 1424.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of subsection (a) of section 6 of the District of Columbia Traffic Act, 1925, as amended (43 Stat. 1121; sec. 40-603(a), D.C. Code, 1951 edition), is amended by striking "issuance and revocation of operators' permits" and inserting in lieu thereof "issuance, suspension, and revocation of operators' permits and the suspension and revocation of operating privileges, including rules and regulations assessing reasonable fees to reimburse the District for the cost of restoring suspended or revoked operators' permits and privileges, such fees not to exceed the amount of \$5 per restoration".

Approved October 3, 1962.

## Public Law 87-746

### AN ACT

October 4, 1962  
[H. R. 10937]

To amend the Act providing for the economic and social development in the Ryukyu Islands.

Ryukyu Islands.  
Funds, increase.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4 of the Act of July 12, 1960 (Public Law 86-629; 74 Stat. 462), is amended by striking out the figure "\$6,000,000" and inserting the figure "\$12,000,000" in place thereof.

Approved October 4, 1962.

## Public Law 87-747

## AN ACT

To provide for the withdrawal and orderly disposition of mineral interests in certain public lands in Pima County, Arizona.

October 5, 1962  
[H. R. 10566]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subject to valid existing rights, the mineral interests of the United States which have been reserved in patents or other conveyances, heretofore issued under the public land laws, in the lands more fully described in section 2 hereof are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral leasing laws, and from disposal under the Act of July 31, 1947, as amended (61 Stat. 681; 30 U.S.C. 601-604).

Pima County,  
Ariz.  
Withdrawal of  
mineral interests.

64 Stat. 572.

(b) The withdrawal effected by this Act—

(1) precludes location of claims, or entry for prospecting or other purposes, under the mining laws.

(2) shall not be modified or revoked except by Act of Congress.

SEC. 2. This Act shall be applicable only to the lands which are within the area situated in Pima County, Arizona, described as follows:

From the northeast corner of section 1, township 11 south, range 14 east, southerly along the range line separating ranges 14 and 15 east to the northeast corner of section 1, township 13 south, range 14 east;

From the northeast corner of section 1, township 13 south, range 14 east, easterly along the township line separating townships 12 and 13 south to the northeast corner of section 1, township 13 south, range 16 east;

From the northeast corner of section 1, township 13 south, range 16 east in a southerly direction along the range line separating ranges 16 and 17 east to the northeast corner of section 1, township 17 south, range 16 east;

From the northeast corner of section 1, township 17 south, range 16 east in a westerly direction along the township line separating townships 16 and 17 south to the northeast corner of section 1, township 17 south, range 13 east;

From the northeast corner of section 1, township 17 south, range 13 east in a northerly direction along the range line separating ranges 13 and 14 east to the northeast corner of section 24, township 15 south, range 13 east;

From the northeast corner of section 24, township 15 south, range 13 east, westerly to the northeast corner of section 21, township 15 south, range 13 east;

From the northeast corner of section 21, township 15 south, range 13 east, northerly to the northeast corner of section 28, township 14 south, range 13 east;

From the northeast corner of section 28, township 14 south, range 13 east, westerly to the northeast corner of section 27, township 14 south, range 12 east;

From the northeast corner of section 27, township 14 south, range 12 east, northerly to the northeast corner of section 10, township 14 south, range 12 east;

From the northeast corner of section 10, township 14 south, range 12 east, westerly to the northeast corner of section 8, township 14 south, range 12 east;

From the northeast corner of section 8, township 14 south, range 12 east, northerly to the northeast corner of section 5, township 13 south, range 12 east;

From the northeast corner of section 5, township 13 south, range 12 east, westerly to the southwest corner of section 31, township 12 south, range 12 east;

From the southwest corner of section 31, township 12 south, range 12 east, northerly to the Pima-Pinal County line;

From there, easterly along the Pima-Pinal County line to the northeast corner of section 1, township 11 south, range 14 east; and

The southeast quarter of the southeast quarter, section 11, township 17 south, range 13 east, all Gila and Salt River base and meridian;

Except all parcels of land lying within present boundaries of Coronado National Forest, the Saguaro National Monument, and military reservations.

Approved October 5, 1962.

## Public Law 87-748

### AN ACT

October 5, 1962  
[H. R. 1960]

To amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the United States district courts, and for other purposes.

Courts.  
Actions against  
Government officials.  
28 USC 1331-  
1360.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 85 of title 28 of the United States Code is amended—

(a) By adding at the end thereof the following new section:

#### **“§ 1361. Action to compel an officer of the United States to perform his duty**

“The district courts shall have original jurisdiction of any action in the nature of mandamus to compel an officer or employee of the United States or any agency thereof to perform a duty owed to the plaintiff.”

(b) By adding at the end of the table of sections for chapter 85 of title 28 of the United States Code the following:

“1361. Action to compel an officer of the United States to perform his duty.”

SEC. 2. Section 1391 of title 28 of the United States Code is amended by adding at the end thereof the following new subsection:

“(e) A civil action in which each defendant is an officer or employee of the United States or any agency thereof acting in his official capacity or under color of legal authority, or an agency of the United States, may, except as otherwise provided by law, be brought in any judicial district in which: (1) a defendant in the action resides, or (2) the cause of action arose, or (3) any real property involved in the action is situated, or (4) the plaintiff resides if no real property is involved in the action.

“The summons and complaint in such an action shall be served as provided by the Federal Rules of Civil Procedure except that the delivery of the summons and complaint to the officer or agency as required by the rules may be made by certified mail beyond the territorial limits of the district in which the action is brought.”

Approved October 5, 1962.

## Public Law 87-749

## AN ACT

To amend the Smith-Lever Act of May 8, 1914, as amended.

October 5, 1962  
[H. R. 12589]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of May 8, 1914 (38 Stat. 372), as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and by the Act of August 11, 1955 (7 U.S.C. 347a), is hereby amended as follows:

Smith-Lever Act,  
amendment.67 Stat. 83;  
69 Stat. 683.

(a) Section 2 is amended by inserting the words "or Territory or possession" immediately before the words "receiving the benefits of this Act."

(b) Subsection 3(b) is amended by: (1) deleting the phrase ", Alaska, Hawaii, Puerto Rico,"; (2) substituting the word "available" for the word "received"; (3) substituting the date "1962" for the date "1953"; (4) deleting the phrase "such sums shall be"; (5) deleting the phrase ", Alaska, Hawaii, and Puerto Rico as existed immediately prior to the passage of this Act"; and (6) deleting the proviso to said subsection.

Federal Extension Service.  
7 USC 343.

(c) Subsection 3(c)1 is amended to read as follows:

Appropriation  
distribution.

"1. Four per centum of the sum so appropriated for each fiscal year shall be allotted to the Federal Extension Service for administrative, technical, and other services, and for coordinating the extension work of the Department and the several States, Territories, and possessions."

(d) Subsection 3(c)2 is amended by: (1) deleting so much thereof as precedes the first proviso and substituting therefor the following: "Of the remainder so appropriated for each fiscal year 20 per centum shall be paid to the several States in equal proportions, 40 per centum shall be paid to the several States in the proportion that the rural population of each bears to the total rural population of the several States as determined by the census, and the balance shall be paid to the several States in the proportion that the farm population of each bears to the total farm population of the several States as determined by the census:"; and (2) deleting the phrase ", Alaska, Hawaii, and Puerto Rico" from the first proviso.

(e) Subsection 3(d) is amended by adding the word "additional" immediately after the word "such" in said subsection.

(f) Section 4 is amended by (1) deleting the phrase ", Territory or possession" wherever it appears in said section; and (2) by striking out the phrase "equal semi-annual payments on the first day of January and July" and substituting the phrase "equal quarterly payments in or about July, October, January, and April".

Allocation of  
funds on quarterly  
basis.

(g) Sections 5 and 6 are amended by deleting therefrom the phrases ", Territory, or possession," and ", Territory, or possession" wherever they occur therein.

(h) Subsection 8(b) is amended by deleting the phrase ", Alaska, Hawaii, and Puerto Rico".

7 USC 347 a.

(i) By adding a new section 10 reading as follows: "The term 'State' means the States of the Union and Puerto Rico."

Definition.

Approved October 5, 1962.

## Public Law 87-750

October 5, 1962  
[S. 2429]

## AN ACT

To revise the boundaries of the Virgin Islands National Park, Saint John, Virgin Islands, and for other purposes.

Virgin Islands  
National Park,  
Saint John, V.I.  
Boundary revision.  
16 USC 398,  
398 a.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in furtherance of the purposes of the Act of August 2, 1956 (70 Stat. 940), as amended, providing for the establishment of the Virgin Islands National Park, and in order to preserve for the benefit of the public significant coral gardens, marine life, and seascapes in the vicinity thereof, the boundaries of such park, subject to valid existing rights, are hereby revised to include the adjoining lands, submerged lands, and waters described as follows:

## NORTH OFFSHORE AREA

25 F. R. 6408.

Beginning at the hereinafter lettered point A on the shore of Cruz Bay, a corner in the Virgin Islands National Park boundary, being also a corner of lot F, Cruz Bay, added to the park by order of designation signed June 29, 1960, by the Assistant Secretary of the Interior pursuant to the Act of August 2, 1956 (70 Stat. 940), and published in the Federal Register of July 7, 1960, the said corner being the terminus of the course recited therein as "north 58 degrees 50 minutes west a distance of 20.0 feet, more or less, along Government land to a point;" for the third call in the metes and bounds description lot F, Cruz Bay.

From the initial point A, distances in nautical miles, along direct courses between the hereinafter lettered points at geographic positions (latitudes north, longitudes west):

Northwestward approximately 0.13 mile to point B, latitude 18 degrees 20 minutes 08 seconds, longitude 64 degrees 47 minutes 43 seconds in Cruz Bay;

0.43 mile to point C, latitude 18 degrees 20 minutes 08 seconds, longitude 64 degrees 48 minutes 10 seconds in Pillsbury Sound;

1.36 miles to point D, latitude 18 degrees 21 minutes 30 seconds, longitude 64 degrees 48 minutes 10 seconds in Windward Passage;

1.64 miles to point E, latitude 18 degrees 22 minutes 10 seconds, longitude 64 degrees 46 minutes 35 seconds in the Atlantic Ocean;

1.99 miles to point F, latitude 18 degrees 22 minutes 45 seconds, longitude 64 degrees 44 minutes 35 seconds in the Narrows;

3.18 miles to point G, latitude 18 degrees 22 minutes 00 seconds, longitude 64 degrees 41 minutes 20 seconds in Sir Francis Drake Channel;

1.04 miles to point H, latitude 18 degrees 21 minutes 10 seconds, longitude 64 degrees 40 minutes 40 seconds in Haulover Bay;

Southwestward approximately 0.22 mile to point I, a bound post on the shore of Haulover Bay marking a corner of the Virgin Islands National Park boundary as shown on drawing numbered NP-VI-7000 entitled "Acquisition Area Virgin Islands National Park", approved November 15, 1956, by the Acting Secretary of the Interior in accordance with the provisions of the Act of August 2, 1956, *supra*, being also the southeasterly corner of estate Haulover 5a and 5c east end quarter as delineated on the municipality of Saint Thomas and Saint John drawing PW file numbered 9-24-T51 dated October 26, 1950;

Thence running generally westward along the Virgin Islands National Park northerly boundary as it follows the northerly shore of the island of Saint John as shown on the said drawing numbered NP-VI-7000 and on drawing numbered NP-VI-7003

entitled "Land Ownership Cruz Bay Creek" depicting the boundary adjustment affected by the said order of designation to point A, the point of beginning.  
The area described contains approximately 4,100 acres.

#### SOUTH OFFSHORE AREA

Beginning at the hereinafter lettered point L, a concrete bound post on the shore of Drunk Bay marking a northeasterly corner in the Virgin Islands National Park boundary as shown on the said drawing numbered NP-VI-7000, being also the northeasterly corner of parcel numbered 1, estate Concordia (A), as delineated on the Leo R. Sibilly, civil engineer, drawing file numbered C9-13-T55.

From the initial point L, distances in nautical miles, along direct courses between the hereinafter lettered points at geographic positions (latitudes north, longitudes west):

Eastward approximately 0.32 mile to point M, latitude 18 degrees 18 minutes 48 seconds, longitude 64 degrees 41 minutes 50 seconds in Sabbath Channel;

0.88 mile to point N, latitude 18 degrees 17 minutes 55 seconds, longitude 64 degrees 41 minutes 50 seconds in the Caribbean Sea;

0.40 mile to point O, latitude 18 degrees 17 minutes 55 seconds, longitude 64 degrees 42 minutes 15 seconds in the Caribbean Sea;

1.88 miles to point P, latitude 18 degrees 18 minutes 48 seconds, longitude 64 degrees 44 minutes 00 seconds in the Caribbean Sea;

1.74 miles to point Q, latitude 18 degrees 18 minutes 48 seconds, longitude 64 degrees 45 minutes 50 seconds in the Caribbean Sea;

0.45 mile to point R, latitude 18 degrees 19 minutes 15 seconds, longitude 64 degrees 45 minutes 50 seconds in Fish Bay;

Eastward approximately 0.08 mile to point S on the shore of Fish Bay, a corner in the present Virgin Islands National Park, as delineated on said drawing numbered NP-VI-7000, being the northwesterly corner of parcel numbered 2 estate Fish Bay, numbered 8 Reef Bay Quarter, and the terminus of the delineated course "south 78 degrees 52 minutes west distance 1,178.9 feet" as depicted on the Leo R. Sibilly, civil engineer, drawing file numbered G9-385-T56.

Thence running generally eastward along the present southerly park boundary as it follows the southerly shore of the island of Saint John as depicted on the said drawing numbered NP-VI-7000 to point L, the point of beginning.

The area described contains approximately 1,550 acres.

Lands, submerged lands, and waters added to the Virgin Islands National Park pursuant to this Act shall be subject to administration by the Secretary of the Interior in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), as amended and supplemented.

SEC. 2. Within the boundaries of Virgin Islands National Park as established and adjusted pursuant to the Act of August 2, 1956 (70 Stat. 940), and as revised by this Act, the Secretary of the Interior is authorized to acquire lands, waters, and interests therein by purchase, exchange or donation or with donated funds.

Acquisition of  
lands, etc.

16 USC 398,  
398a.

SEC. 3. Nothing in this Act shall be construed as authorizing any limitation on customary uses of or access to the areas specified in section 1 for bathing and fishing (including setting out of fishpots and landing boats), subject to such regulations as the Secretary of the Interior may find reasonable and necessary for protection of natural conditions and prevention of damage to marine life and formations.



SEC. 4. There are hereby authorized to be appropriated such sums, but not more than \$1,250,000, as are necessary to acquire lands pursuant to section 2 of this Act.

Approved October 5, 1962.

## Public Law 87-751

October 5, 1962  
[H. R. 218]

### AN ACT

To provide that individuals enlisted into the Armed Forces of the United States shall take an oath to support and defend the Constitution of the United States.

Armed Forces.  
Enlistment oath.  
70A Stat. 17.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 501 of title 10, United States Code, is amended as follows:

#### “§ 501. Enlistment oath: who may administer

“Each person enlisting in an armed force shall take the following oath:

“I, \_\_\_\_\_, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; and that I will obey the orders of the President of the United States and the orders of the officers appointed over me, according to regulations and the Uniform Code of Military Justice. So help me God.”

This oath or affirmation may be taken before any commissioned officer of any armed force.”

National Guard.  
70A Stat. 602.

SEC. 2. Section 304 of title 32, United States Code, is amended to read as follows:

#### “§ 304. Enlistment oath

“Each person enlisting in the National Guard shall sign an enlistment contract and subscribe to the following oath:

“I do hereby acknowledge to have voluntarily enlisted this \_\_\_\_ day of \_\_\_\_\_, 19\_\_, in the \_\_\_\_\_ National Guard of the State of \_\_\_\_\_ for a period of \_\_\_\_\_ year(s) under the conditions prescribed by law, unless sooner discharged by proper authority.

“I, \_\_\_\_\_, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and of the State of \_\_\_\_\_ against all enemies, foreign and domestic; that I will bear true faith and allegiance to them; and that I will obey the orders of the President of the United States and the Governor of \_\_\_\_\_ and the orders of the officers appointed over me, according to law and regulations. So help me God.”

This oath may be taken before any officer of the National Guard of the State or territory, or of Puerto Rico, the Canal Zone, or the District of Columbia, as the case may be, or before any other person authorized by the law of the jurisdiction concerned to administer oaths of enlistment in the National Guard.”

Effective date.

SEC. 3. This Act does not affect any oath taken before one year after its enactment.

Approved October 5, 1962.

## Public Law 87-752

## AN ACT

To direct the Secretary of the Interior to convey certain public lands in the State of California to the city of Needles.

October 5, 1962  
[H. R. 2952]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior shall issue to the city of Needles, in the county of San Bernardino, State of California, upon payment by the city into the Treasury of the United States, not more than five years after the Secretary has notified the city of the purchase price which shall be an amount equal to the fair market value plus the cost of any appraisal of the lands as of the effective date of this Act as determined by the Secretary after the appraisal of the lands by contract appraisal or otherwise, a patent or deed for the following described lands situated within the city limits of said city of Needles or adjacent thereto, in the State of California comprising a total of 340 acres more or less (all range references are to San Bernardino base and meridian) with a reservation to the United States of the coal, phosphate, sodium, potassium, oil, gas, oil shale, native asphalt, solid and semisolid bitumen and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried), together with the right to prospect for, mine, and remove the same under applicable provisions of law:

Needles, Calif.  
Land conveyance.

(a) The southwest quarter of the northwest quarter of section 30 in township 9 north, range 23 east, subject to Atchison, Topeka, and Santa Fe Railway right-of-way, comprising 40 acres more or less (otherwise described as Government lot 2 in said section 30) whenever the Secretary of the Interior determines that there is no further Federal need for this parcel.

(b) The southeast quarter of the northwest quarter of section 30 in township 9 north, range 23 east, subject to Atchison, Topeka, and Santa Fe Railway right-of-way, comprising 40 acres more or less.

(c) The north half of the south half of the southeast quarter of the southwest quarter, and the southwest quarter of the southwest quarter of the southeast quarter of the southwest quarter, and the southeast quarter of the southeast quarter of the southeast quarter of the southwest quarter section 30, township 9 north, range 23 east, comprising 15 acres more or less.

(d) The northeast quarter of the northeast quarter of the northeast quarter of the northwest quarter, and the northwest quarter of the northwest quarter of the northeast quarter of the northwest quarter section 31, township 9 north, range 23 east, comprising 5 acres more or less.

(e) The northeast quarter of section 31 in township 9 north, range 23 east, comprising 160 acres more or less.

(f) The southeast quarter of the northwest quarter of section 32 in township 9 north, range 23 east, comprising 40 acres more or less.

(g) The southeast quarter of the southeast quarter of section 32 in township 9 north, range 23 east, subject to United States Highway 66-95 right-of-way, comprising 40 acres more or less.

SEC. 2. The conveyance authorized and directed by this Act shall be made subject to any existing valid claims against the lands described in the first section of this Act, and to any reservations necessary to protect continuing uses of said lands by the United States.

Existing valid  
claims.

SEC. 3. The lands described in the first section of this Act shall be segregated from all forms of appropriation under the public land laws

Publication  
in F. R.

including the mining and mineral leasing laws, from the date of approval of this Act, until the Secretary shall provide otherwise by publication of an order in the Federal Register.

SEC. 4. The execution of the patents or deeds described in section 1 of this Act shall not relieve any person of any liability to the United States arising prior to the date of such conveyances for unauthorized use of the conveyed lands.

Approved October 5, 1962.

# Public Law 87-753

## AN ACT

October 5, 1962  
[S. 919]

To amend section 9(b) of the Act entitled "An Act to prevent pernicious political activities" (the Hatch Political Activities Act) to reduce the requirement that the Civil Service Commission impose no penalty less than thirty days' suspension for any violation of section 9 of the Act.

Hatch Political  
Activities Act,  
amendment.  
64 Stat. 475.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 9(b) of the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended (5 U.S.C. 118i(b)), is amended by striking out "Provided further, That in no case shall the penalty be less than ninety days' suspension without pay:", and inserting in lieu thereof "Provided further, That in no case shall the penalty be less than thirty days' suspension without pay:".

Approved October 5, 1962.

# Public Law 87-754

## AN ACT

October 5, 1962  
[H. R. 8134]

To authorize the sale of the mineral estate in certain lands.

Maricopa County,  
Ariz.  
Sale of min-  
eral lands.

64 Stat. 572.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subject to valid existing rights, the mineral interests of the United States, which have been reserved in patents or other conveyances, heretofore issued under the public land laws, in the lands more fully described herein are hereby withdrawn from all forms of location and appropriation and the lands involved are withdrawn from entry, for prospecting or other purposes under the public land laws, including the mining and mineral leasing laws, and from disposal under the Act of July 31, 1947, as amended (61 Stat. 681; 30 U.S.C. 601-604).

(b) The withdrawals effected by this Act shall not be modified or revoked except by Act of Congress. This Act shall be applicable only to the lands which are situated in:

Township 3 north, range 6 east, Gila and Salt River meridian,  
Maricopa County, Arizona.

Section 10. All.

Section 11. Lots 6, 7, 8, 9, west half east half, west half.

Section 14. Lots 9, 10, 11, 12, west half east half, west half.

Section 15. All.

Section 22. All.

Section 23. Lots 9, 10, 11, 12, west half.

Section 26. Lots 9, 10, 11, 12, west half.

Section 27. All.

Total 4,540.57 acres.

Approved October 5, 1962.

## Public Law 87-755

## AN ACT

To amend section 510(a) (1), Merchant Marine Act, 1936.

October 5, 1962  
[H. R. 10022]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the proviso in section 510(a) (1), of the Merchant Marine Act, 1936, is amended to read as follows: "Provided, That until June 30, 1964, the term 'obsolete vessel' shall mean a vessel or vessels, each of which (A) is of not less than one thousand three hundred and fifty gross tons, (B) is not less than twelve years old, and (C) is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least three years immediately prior to the date of acquisition hereunder."

Approved October 5, 1962.

Merchant Marine  
Act, 1936, amend-  
ment.  
72 Stat. 17.  
46 USC 1160.  
"Obsolete ves-  
sel."

## Public Law 87-756

## AN ACT

To amend title VIII of the National Housing Act with respect to the authority of the Federal Housing Commissioner to pay certain real property taxes and to make payments in lieu of real property taxes.

October 5, 1962  
[H. R. 13067]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title VIII of the National Housing Act is amended by adding at the end thereof the following new section:

"SEC. 811. (a) The Commissioner is authorized to make payments in lieu of taxes on any real property to which title has been or is hereafter acquired by him in fee under section 803 as effective prior to August 11, 1955, and on which taxes or payments in lieu of such taxes were payable or paid prior to acquisition by the Commissioner. Such payments may be made in connection with tax years occurring prior to or subsequent to the date of the enactment of this section. The amount of any such payments shall not exceed taxes on similar property and shall not include interest or penalties. If the Commissioner has acquired or hereafter acquires title in fee to real property by foreclosure or by transfer from some other department or agency of the Government or otherwise during a tax year, he may make a payment in lieu of taxes prorated for that portion of the year remaining after his acquisition of title. This subsection shall not authorize any lien against property held by the Commissioner, nor the payment of any tax, nor any payment in lieu of any tax, on any interest of the Commissioner as lessee or mortgagee.

"(b) Nothing in this title shall be construed to exempt any real property which has been or is hereafter acquired and held by the Commissioner under section 809 or 810 from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed."

Approved October 5, 1962.

Military housing.  
Payments in lieu  
of taxes.

63 Stat. 570;  
70 Stat. 273;  
73 Stat. 683.  
12 USC 1748-  
1748h-2.

## Public Law 87-757

## AN ACT

October 5, 1962  
[S. 699]

To amend the Act entitled "An Act to incorporate the Hungarian Reformed Federation of America", approved March 2, 1907, and for other purposes.

Hungarian Re-  
formed Federation  
of America.  
Membership ben-  
efits.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled "An Act to incorporate the Hungarian Reformed Federation of America", approved March 2, 1907 (34 Stat. 1226), is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a semicolon and the following: "to provide all types of benefits which are now or hereafter may be authorized by the laws of the District of Columbia relating to fraternal benefit associations."

D. C. Code 35-  
907.

SEC. 2. Section 755 of the Act entitled "An Act to establish a Code of Law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189), is amended by striking out "which shall not exceed fifty-five years, and that medical examinations are required of applicants for life benefits,".

Approved October 5, 1962.

## Public Law 87-758

## AN ACT

October 9, 1962  
[H. R. 8181]

To authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia and to provide for its operation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

D. C.  
National Fish-  
eries Center and  
Aquarium.  
Construction  
authorization.

## AUTHORIZATION FOR NATIONAL FISHERIES CENTER AND AQUARIUM

SECTION 1. (a) The Administrator of General Services (hereinafter referred to as the "Administrator") is hereby authorized to plan, construct, and maintain a National Fisheries Center and Aquarium in the District of Columbia or its vicinity for research in fisheries and for the display of fresh water and marine fishes and other aquatic resources for educational, recreational, cultural, and scientific purposes.

(b) The Administrator is further authorized to use Federal land and property for purposes of this Act with the consent of the particular agency having administrative jurisdiction thereover, and, if said property is unavailable for purposes hereof, he may purchase, lease, or otherwise acquire such lands, waters, and interests therein, as he may deem necessary to carry out the provisions of subsection (a) of this section.

## OPERATION OF THE NATIONAL FISHERIES CENTER AND AQUARIUM

SEC. 2. (a) The Secretary of the Interior (hereinafter referred to as the "Secretary") shall operate the National Fisheries Center and Aquarium.

(b) The Secretary is further authorized to—

(1) construct, purchase or lease, and operate and maintain vessels for specimen collecting purposes and, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), to contract for such collection of specimens and to purchase or exchange specimens and exhibit materials;

(2) prepare for free distribution or exhibit or to offer for sale at cost illustrated catalogs of specimens, brochures, and other printed matter and films, animations and photographic and other material pertaining to the National Fisheries Center and Aquarium and its objectives and to aquariums generally, all or any of which may be reproduced by any printing or other process without regard to existing regulations, the proceeds of sales to be covered into the United States Treasury;

(3) employ, as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C., sec. 55a), but at rates not to exceed \$50 per diem plus expenses, experts, consultants, or organizations thereof, as required to assist with the planning, design, construction, and operation of the National Fisheries Center and Aquarium;

60 Stat. 810.

(4) permit on such terms and conditions as he shall consider to be in the public interest the use of auditorium and other areas for meetings and exhibits of societies and groups whose purposes are related to fish and wildlife generally; and

(5) encourage the use of the educational and scientific facilities and equipment at the National Fisheries Center and Aquarium by individuals of any nation with which the United States maintains diplomatic relations and which extends similar use of its educational and scientific facilities and equipment to citizens of the United States.

#### DELEGATION OF RESPONSIBILITY FOR OPERATION OF THE NATIONAL FISHERIES CENTER AND AQUARIUM

SEC. 3. The Secretary shall assign the responsibility for the operation of the National Fisheries Center and Aquarium and related activities to that branch of the Bureau of Sport Fisheries and Wildlife having as its major activity the rearing and holding of living fishes, including the operation of aquariums.

#### ESTABLISHMENT OF A NATIONAL FISHERIES CENTER AND AQUARIUM ADVISORY BOARD

SEC. 4. There is hereby established a nonpartisan Advisory Board to be known as the National Fisheries Center and Aquarium Advisory Board. The Advisory Board shall meet from time to time on the call of the Chairman. The functions of the Board shall be to render advice and to submit recommendations to the Secretary of the Interior upon his request, or upon its own initiative, concerning the management and operation of the National Fisheries Center and Aquarium. Five members shall constitute a quorum to transact business. The Secretary may designate an employee of the Department to serve as Executive Secretary to the Board.

#### MEMBERS OF THE ADVISORY BOARD

SEC. 5. (a) The Advisory Board shall be composed of nine members. The Secretary shall designate the Chairman of the Advisory Board. The Assistant Secretary of the Interior for Fish and Wildlife shall be a member of such Board ex officio. The remaining eight members of such Board shall be appointed as follows—

(1) two Members of the Senate, appointed by the President of the Senate;

(2) two Members of the House of Representatives, appointed by the Speaker of the House of Representatives;

(3) two individuals appointed by the Secretary, one of whom shall be engaged in or closely associated with, sport fishing, and one of whom shall be engaged in, or closely associated with, commercial fishing; and

(4) two individuals appointed by the Secretary from the public at large.

(b) Each class of two members of the Advisory Board referred to in subsection (a) shall be appointed for terms of four years, except that, of each such class of two members initially appointed, one shall be appointed for a term of two years. Any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Of each class of two members of such Board referred to in paragraphs (1) and (2) of subsection (a), not more than one shall be from the same political party, and not more than one shall be from the same State. Any member of such Board referred to in such paragraphs (1) and (2) who shall cease to be a Member of Congress during the term of his appointment under this section shall cease to be a member of such Board.

(c) Any vacancy in the Advisory Board shall be filled in the same manner as in the case of the original appointment.

#### COMPENSATION OF THE ADVISORY BOARD

SEC. 6. Members of the Advisory Board, other than members appointed under paragraphs (3) and (4) of subsection (a) of section 5, shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Board. Members of the Board appointed under paragraphs (3) and (4) of subsection (a) of section 5 may each receive \$50 per diem when engaged in the actual performance of duties vested in the Board, in addition to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

#### ANNUAL REPORT

SEC. 7. The Director of the National Fisheries Center and Aquarium shall prepare for the Advisory Board an annual report for presentation to the Secretary of the Interior and to the Congress.

#### APPROPRIATION

SEC. 8. Funds appropriated and expended hereunder for construction of the buildings for the National Fisheries Center and Aquarium shall not exceed \$10,000,000: *Provided*, That the expenditure of such funds shall be made subject to the condition that the Secretary of the Interior shall establish charges relating to visitation to and uses of the National Fisheries Center and Aquarium at such rates as in the Secretary's judgment will produce revenues to (a) liquidate the costs of construction within a period of not to exceed thirty years and (b) pay for the annual operation and maintenance costs thereof.

Approved October 9, 1962.

## Public Law 87-759

## JOINT RESOLUTION

October 9, 1962  
[S. J. Res. 60]

To establish the sesquicentennial commission for the celebration of the Battle of New Orleans, to authorize the Secretary of the Interior to acquire certain property within Chalmette National Historical Park, and for other purposes.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) there is hereby established a commission to be known as the "Battle of New Orleans Sesquicentennial Celebration Commission" (hereinafter referred to as the "Commission") which shall be composed of twenty-three members as follows:

Battle of New Orleans Sesquicentennial Celebration Commission.  
Establishment.

(1) Eight members who shall be Members of the Senate, to be appointed by the President of the Senate (two each from Louisiana, Kentucky, Mississippi, and Tennessee);

(2) Eight members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives (two each from Louisiana, Kentucky, Mississippi, and Tennessee);

(3) One representative of the Department of the Interior who shall be the Director of the National Park Service, or his designee, and who shall serve as executive officer of the Commission; and

(4) Six members to be appointed by the President.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall receive no salary.

SEC. 2. The function of the Commission shall be to develop and to execute plans for the observance in December 1964 and January 1965 of the one hundred and fiftieth anniversary of the Battle of Chalmette, or New Orleans. In carrying out these functions, the Commission is authorized to cooperate with and to assist such groups as the State of Louisiana and the city of New Orleans may establish to celebrate the sesquicentennial of the Battle of New Orleans.

Function.

SEC. 3. The Commission may employ, without regard to the civil service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions: *Provided, however,* That no employee whose position would be subject to the Classification Act of 1949, as amended, if said Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under said Act for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by the Classification Act of 1949, as amended, as of the same date such rates are authorized for positions subject to said Act. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee.

Employees, compensation.  
63 Stat. 954.  
5 USC 1071  
note.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this resolution. The Commission, to such extent as it finds to be necessary, may procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this resolution: *Provided, however,* That all expenditures of the Commission shall be made from donated funds only.

Acceptance of donations, etc.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the



Report to Congress.

Property, use.

Lands, acquisition.

16 USC 231-231d.

Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within one year following the celebration as prescribed by this resolution. The Commission shall terminate upon submission of its report to the Congress.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

SEC. 5. Within the boundaries of Chalmette National Historical Park as designated by the Secretary of the Interior on March 20, 1958, pursuant to the Act of August 10, 1939 (53 Stat. 1342), and depicted on drawing numbered NHP-CHAL-7008, said Secretary, notwithstanding the proviso in section 3 of said Act, is hereby authorized to acquire the following lands and interests in lands with funds heretofore appropriated and otherwise available for such purpose:

Beginning at the point of intersection of the west line of Fazendeville Road with a line 50 feet south of southerly boundary of right-of-way of the Louisiana Southern Railway at coordinate point X—2,425,730.76 and Y—467,506.11; (the bearings and coordinates herein stated are in accord with the Louisiana geodetic survey plane grid system); and running thence south 66 degrees 32 minutes 46 seconds east, parallel to said southerly boundary of right-of-way of Louisiana Southern Railway, a distance of 30 feet to coordinate point X—2,425,758.28 and Y—467,494.17; thence south 23 degrees 45 minutes 21 seconds west for a distance of 917.90 feet along the east right-of-way of Fazendeville Road to a point;

Thence south 66 degrees 14 minutes 39 seconds east for a distance of 161.83 feet to a point; thence south 23 degrees 45 minutes 21 seconds west on a line parallel to Fazendeville Road for a distance of 1,406.51 feet to a point; thence north 64 degrees 19 minutes 9 seconds west for a distance of 161.92 feet to a point on the east right-of-way of Fazendeville Road; thence south 23 degrees 45 minutes 21 seconds west along the east right-of-way of Fazendeville Road for a distance of 19.41 feet to a point;

Thence south 64 degrees 19 minutes 9 seconds east for a distance of 95.70 feet to a point; thence south 23 degrees 45 minutes 21 seconds west on a line parallel to Fazendeville Road for a distance of 54.90 feet to a point; thence north 64 degrees 19 minutes 9 seconds west for a distance of 95.70 feet to a point on the east right-of-way of Fazendeville Road; thence south 23 degrees 45 minutes 21 seconds along the east right-of-way of Fazendeville Road for a distance of 279.44 feet to a point;

Thence crossing Fazendeville Road on a line running north 49 degrees 02 minutes 49 seconds west for a distance of 31.40 feet to a point on the west right-of-way of Fazendeville Road; thence north 23 degrees 45 minutes 21 seconds east along the west right-of-way of Fazendeville Road for a distance of 2,663.28 feet to a point which is the point of beginning; containing 7.02 acres more or less, including 1.83 acres more or less within the right-of-way of the Fazendeville Road; and excluding lot 15, as shown on a map of survey by F. C. Gandolfo, Junior, dated January 9, 1953, and being in section 10 of township 13 south, range 12 east, parish of Saint Bernard, State of Louisiana, and known locally as Fazendeville.

SEC. 6. The joint resolution of July 14, 1960 (Public Law 86-650), is amended to read as follows:

U. S. Constitution,  
anniversary.  
74 Stat. 508.

“DECLARATION OF POLICY

“SECTION 1. It is hereby declared to be the policy of the Congress to authorize appropriate activities on the part of the Federal Government in celebration of the one hundred and seventy-fifth anniversary of the formation of the Constitution of the United States and to provide a means whereby similar activities by the States and by the people may be encouraged and coordinated in a comprehensive national observance to the end that our citizens may gain a deeper appreciation of the priceless national heritage represented by the Constitution as a living document and a renewed zeal for the perpetuation and advancement of the ideals of government of which it is the embodiment.

“ESTABLISHMENT OF THE COMMISSION

“SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission, to be known as the ‘United States Constitution One Hundred and Seventy-fifth Anniversary Commission’ (hereinafter referred to as the ‘Commission’) for the celebration of the one hundred and seventy-fifth anniversary of the existence of the Constitution, and to be composed of twelve Commissioners, as follows: The President of the United States; the President of the Senate and the Speaker of the House of Representatives, ex officio; three persons to be appointed by the President of the United States; three Senators to be appointed by the President of the Senate; and three Representatives by the Speaker of the House of Representatives.

United States  
Constitution One  
Hundred and Sev-  
enty-fifth Anniver-  
sary Commission.

“(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney, or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

Conflict of in-  
terest.

“(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

“(d) A person appointed to the Commission in the status of a Member of Congress, but who thereafter ceases to have such status, shall nevertheless continue as a member of the Commission.

“COMPENSATION OF THE COMMISSION

“SEC. 3. The members of the Commission shall serve without compensation, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

“ORGANIZATION AND STAFF OF THE COMMISSION

“SEC. 4. (a) The Commission shall select a Chairman from among its members.

“(b) The Chairman may appoint an Executive Director, to serve at his pleasure, whose compensation shall be fixed by the Commission.

“(c) The Executive Director, with the approval of the Chairman, may appoint and fix the compensation of such assistants and subordinates as he deems necessary.

“(d) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 15 of the Act of

60 Stat. 810.

August 2, 1946 (5 U.S.C. 55a), but at rates not to exceed \$50 per diem for individuals.

63 Stat. 954.  
5 USC 1071 note.

“(e) Neither the civil service laws nor the Classification Act of 1949, as amended, shall apply to any exercise of the authority conferred by subsection (b), (c), or (d) of this section: *Provided, however,* That no employee whose position would be subject to the Classification Act of 1949, as amended, if said Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under said Act for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by the Classification Act of 1949, as amended, as of the same date such rates are authorized for positions subject to said Act. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee.

74 Stat. 661.

“(f) Mail matter sent by the Commission as penalty mail or franked mail shall be accepted for mail subject to Section 4156 of title 39, United States Code, as amended.

#### “OFFICE SPACE FOR THE COMMISSION

“SEC. 5. The Secretary of the Interior, after consultation with the Commission, shall make available to it such office space in a building or buildings in the Independence National Historical Park as, in the judgment of the Secretary, it may require for performance of its functions.

#### “DUTIES OF THE COMMISSION

“SEC. 6. (a) The Commission shall request the cooperation of appropriate officials in all branches, departments, and agencies of the United States in planning ceremonies or other activities in their respective components of the Federal Government in observance of the one hundred and seventy-fifth anniversary of the formation of the Constitution, and all such officials are authorized and requested to consult with the Commission.

“(b) The Commission shall request the appointment by the Governors of each of the fifty States of individuals or committees to consult with the Commission and to assist in coordinating the activities of the Federal Government, the governments of the States, and private individuals and organizations in carrying out the purposes of this Act.

“(c) The Commission shall take appropriate action to encourage, assist, and coordinate activities by municipal, county, and other local governmental units in carrying out the purposes of this Act.

“(d) The Commission shall make its assistance available to public and private schools in planning programs, ceremonies, and other activities, and obtaining written and audiovisual materials for use in such activities in connection with the anniversary.

“(e) The Commission shall solicit the cooperation of colleges, universities, and other institutions of higher education in encouraging the study and understanding of the Constitution by suitable recognition through scholarships or otherwise of promising students who display an interest in it.

“(f) The Commission shall solicit the cooperation of, and make its assistance available to, civic, patriotic, and religious organizations undertaking any activities in connection with the anniversary.

“(g) The Commission shall endeavor to promote worldwide understanding of the United States Constitution by encouraging, and if practicable assisting in, student exchange programs and any other means by which citizens of foreign countries may be afforded opportunities to learn about our constitutional processes.

“(h) The Commission is authorized to accept on behalf of the United States such gifts of money or other property as in its judgment may be appropriate to carry out the purposes of this Act, but shall be accountable therefor in the same manner as for appropriated funds or property purchased with appropriated funds.

“PROCLAMATIONS BY THE PRESIDENT

“SEC. 7. The President is hereby authorized and requested to issue proclamations—

“(1) designating September 17, 1962, as Constitution Day and calling upon the people of the United States to observe such day with special ceremonies and other activities in celebration of the one hundred and seventy-fifth anniversary of the formation of the Constitution;

Constitution  
Day.

“(2) designating December 15, 1962, as Bill of Rights Day and calling upon the people of the United States to observe such day with appropriate ceremonies and activities; and

Bill of Rights  
Day.

“(3) designating the period from September 17, 1962, to July 4, 1963, inclusive, as a period dedicated to a renewal of national awareness of the priceless heritage which the Constitution represents, and calling upon the people of the United States to engage in such educational and inspirational activities as will deepen their understanding of the Constitution and strengthen their devotion to it.

“DISTRIBUTION OF COPIES OF THE CONSTITUTION

“SEC. 8. The Attorney General, acting through the Immigration and Naturalization Service, is hereby authorized and directed to make available a suitable copy of the Constitution of the United States and the amendments thereto to each person entering the United States during the one-year period which begins on September 17, 1962.

“DISPOSAL OF PROPERTY OF THE COMMISSION

“SEC. 9. (a) After the Commission has discharged all its functions pursuant to this Act except for those under this section and section 10, it shall transfer to the Secretary of the Interior such of its records and other property as in his judgment are appropriate for permanent preservation or display in the Independence National Historical Park.

“(b) The Commission shall transfer the remainder of its records and property to the Administrator of General Services, who shall hold and dispose of such records and property in accordance with the Federal Property and Administrative Services Act of 1949:

63 Stat. 377.  
40 USC 471  
note.

“FINAL REPORT OF COMMISSION

“SEC. 10. The Commission shall make a final report of its activities to the Congress on or before the first day of the second session of the Eighty-eighth Congress, and upon the filing of such report, the Commission shall cease to exist.

“EXPENDITURES OF THE COMMISSION

“SEC. 11. All expenditures of the Commission shall be made from donated funds only.”

SEC. 7. Nothing contained in this joint resolution shall affect the validity of actions heretofore lawfully taken under authority of the joint resolution of July 14, 1960 (Public Law 86-650).

Approved October 9, 1962.

74 Stat. 508.

## Public Law 87-760

October 9, 1962  
[S. J. Res. 228]

## JOINT RESOLUTION

Authorizing the issuance of a gold medal to General of the Army Douglas MacArthur.

General Douglas  
MacArthur.  
Gold medal.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in recognition of the gallant service rendered by General of the Army Douglas MacArthur to his country, the President of the United States is authorized to award to General of the Army Douglas MacArthur, in the name of Congress, an appropriate gold medal. For such purpose the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

31 USC 368.

SEC. 2. The Secretary of the Treasury is authorized and directed to coin and furnish to the MacArthur Memorial Foundation not more than five hundred thousand copies in bronze of such medal, of such size or sizes as shall be determined by the Secretary in consultation with the MacArthur Memorial Foundation. The medals shall be made and delivered at such times as may be required by the MacArthur Memorial Foundation in quantities of not less than two thousand. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes.

SEC. 3. The Secretary of the Treasury shall cause such gold medals and such bronze medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

Approved October 9, 1962.

## Public Law 87-761

October 9, 1962  
[S. 455]

## AN ACT

To amend the Act of July 14, 1955, relating to air pollution control, to authorize appropriations for an additional two-year period, and for other purposes.

Air pollution  
control.

69 Stat. 322;  
73 Stat. 646.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 5 of the Act entitled "An Act to provide research and technical assistance relating to air pollution control", approved July 15, 1955, as amended (42 U.S.C., sec. 1857d), is amended by striking out "nine fiscal years during the period beginning July 1, 1955, and ending June 30, 1964," and inserting in lieu thereof "eleven fiscal years during the period beginning July 1, 1955, and ending June 30, 1966,".

69 Stat. 322.

SEC. 2. Section 3 of the Act entitled "An Act to provide research and technical assistance relating to air pollution control", approved July 15, 1955, as amended (42 U.S.C., sec. 1857b), is amended by inserting "(a)" immediately after "Sec. 3.", and by adding at the end thereof the following new subsection:

Motor vehicle  
exhausts.  
Studies.

"(b) In view of the nationwide significance of the problems of air pollution from motor vehicles, the Surgeon General shall conduct studies of the amounts and kinds of substances discharged from the exhausts of motor vehicles and of the effects of the discharge of such substances, including the amounts and kinds of such substances which, from the standpoint of human health, it is safe for motor vehicles to discharge into the atmosphere."

Approved October 9, 1962.

## Public Law 87-762

## AN ACT

October 9, 1962  
[S. 1060]

To authorize the Secretary of Interior to construct, operate, and maintain the Oroville-Tonasket unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of furnishing a new and a supplemental water supply for the irrigation of approximately eight thousand four hundred and fifty acres of land in Okanogan County, Washington, for the purpose of undertaking the rehabilitation and betterment of existing works serving a major portion of these lands and for conservation and development of fish and wildlife resources, the Secretary of Interior is authorized to construct, operate, and maintain the Oroville-Tonasket unit of the Okanogan-Similkameen division of the Chief Joseph Dam project, in accordance with the provisions of the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto). The principal works of the unit shall consist of: facilities to permit enlargement and utilization of Palmer Lake storage; related canal, diversion dam, pumping plants, and distribution systems; and necessary works incidental to the rehabilitation of the existing irrigation system.

Interior Department.  
Chief Joseph Dam project, Wash.

43 USC 371  
note.

SEC. 2. The basic period provided in subsection (d), section 9, of the Reclamation Project Act of 1939, as amended (43 U.S.C. 485h), for repayment of the construction cost properly chargeable to any block of lands may be extended to fifty years, exclusive of any development period, from the time water is first delivered to that block. Power and energy required for irrigation pumping for the Oroville-Tonasket unit shall be made available by the Secretary from the Chief Joseph Dam powerplant and other Federal plants interconnected therewith at rates not to exceed the cost of such power and energy from the Chief Joseph Dam taking into account all costs of the dam, reservoir, and powerplant which are determined by the Secretary under the provisions of the Federal reclamation laws to be properly allocable to such irrigation pumping power and energy.

Construction costs, repayment period.  
53 Stat. 1195;  
72 Stat. 542.

SEC. 3. The Secretary may make such provisions for fish and wildlife conservation, including the installation, operation and maintenance of fish screens at the pump plants and diversion dam, and provision for sufficient flows in the rivers below Palmer Lake, as he finds to be required for the mitigation of losses or damages to existing fishery and wildlife resources, and, if he determines that it is practicable and desirable to reestablish anadromous fish runs in the Similkameen River, may make such provisions, including the construction, operation, and maintenance of fish ladders and other control works, and downstream flow releases as he finds to be required to accomplish that purpose. The Secretary is further authorized to make provisions for access to project areas for the general public, including fishermen and hunters. An appropriate portion of the construction costs of the unit shall be allocated as provided in the Fish and Wildlife Coordination Act (48 Stat. 401, as amended, 16 U.S.C. 661 et seq.), which, together with the portion of the operation, maintenance, and replacement costs allocated to this function or the equivalent capitalized value thereof, shall be nonreimbursable and nonreturnable under the Federal reclamation laws.

Fish and wildlife conservation.

60 Stat. 1080;  
72 Stat. 563.

SEC. 4. There are hereby authorized to be appropriated for construction of the works authorized by this Act not to exceed \$3,210,000,

Appropriation.

plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations from January 1961 construction costs as indicated by engineering cost indices applicable to the type of construction involved herein, and not to exceed \$400,000 for carrying out the provisions of section 3 of this Act, in addition to the cost of fish screens, when the Secretary finds that conditions justify such expenditures. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

Approved October 9, 1962.

## Public Law 87-763

October 9, 1962  
[S. 3120]

### AN ACT

To amend section 6 of the Act of May 29, 1884.

Agriculture.  
Diseased live-  
stock and poultry.  
Interstate move-  
ment.  
44 Stat. 774.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6 of the Act of May 29, 1884 (23 Stat. 32), as amended (21 U.S.C. 115), is further amended by changing the period at the end of such section to a colon and inserting immediately thereafter the following: "*Provided, That such livestock or poultry may be so delivered and received for such transportation and so transported and moved if the Secretary of Agriculture determines that such action will not endanger the livestock or poultry of the United States and authorizes such action, and such delivery, receipt, transportation, and movement are made in strict compliance with such rules and regulations as the Secretary of Agriculture may prescribe to protect the livestock and poultry of the United States.*"

Approved October 9, 1962.

## Public Law 87-764

October 9, 1962  
[S. 3156]

### AN ACT

To amend section 142 of title 28, United States Code, with regard to furnishing court quarters and accommodations at places where regular terms of court are authorized to be held, and for other purposes.

District courts.  
Quarters and ac-  
commodations.  
62 Stat. 898.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 142 of title 28, United States Code, is amended by adding at the end of such section the following: "The foregoing restrictions shall not, however, preclude the Administrator of General Services, at the request of the Director of the Administrative Office of the United States Courts, from providing such court quarters and accommodations as the Administrator determines can appropriately be made available at places where regular terms of court are authorized by law to be held, but only if such court quarters and accommodations have been approved as necessary by the judicial council of the appropriate circuit."

Approved October 9, 1962.

## Public Law 87-765

## AN ACT

October 9, 1962

[S. 3408]

To establish in the Library of Congress a library of musical scores and other instructional materials to further educational, vocational, and cultural opportunities in the field of music for blind persons.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the Librarian of Congress shall establish and maintain a library of musical scores, instructional texts, and other specialized materials for the use of blind residents of the United States and its possessions in furthering their educational, vocational, and cultural opportunities in the field of music. Such scores, texts, and materials shall be made available on a loan basis under regulations developed by the Librarian or his designee in consultation with persons, organizations, and agencies engaged in work for the blind.

Blind persons.  
Library of musical scores.  
Establishment.

(b) There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

Approved October 9, 1962.

## Public Law 87-766

## AN ACT

October 9, 1962

[S. 3431]

To consent to the amendment of the Pacific Marine Fisheries Compact and to the participation of certain additional States in such compact in accordance with the terms of such amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby given to (1) the amendment of the Pacific Marine Fisheries Compact, initially approved by the Act of July 24, 1947 (61 Stat. 419), between the States of California, Oregon, and Washington, by the addition of a new article XII to such compact as set forth in section 2 of this Act, and (2) to the participation in such compact, in accordance with the terms of such article, of the States of Alaska and Hawaii and any other State having rivers or streams tributary to the Pacific Ocean.

Pacific Marine  
Fisheries Com-  
pact, amendment.

SEC. 2. Article XII of the Pacific Marine Fisheries Compact, as agreed to by the States of California, Oregon, and Washington, reads as follows:

## "ARTICLE XII

"The States of Alaska or Hawaii, or any state having rivers or streams tributary to the Pacific Ocean may become a contracting state by enactment of the Pacific Marine Fisheries Compact. Upon admission of any new state to the compact, the purposes of the compact and the duties of the commission shall extend to the development of joint programs for the conservation, protection and prevention of physical waste of fisheries in which the contracting states are mutually concerned and to all waters of the newly admitted state necessary to develop such programs.

Additional  
States.  
Participation.

"This article shall become effective upon its enactment by the States of California, Oregon, and Washington and upon ratification by Congress by virtue of the authority vested in it under Article 1, section 10, of the Constitution of the United States."

SEC. 3. The right to alter, amend, or repeal this Act is expressly reserved.

Reservation.

Approved October 9, 1962.



## Public Law 87-767

October 9, 1962  
[H. J. Res. 693]

## JOINT RESOLUTION

Granting the consent and approval of Congress for the State of Maryland, the Commonwealth of Virginia, and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact, and for other purposes.

Washington  
Metropolitan Area  
Transit Regula-  
tion Compact,  
amendment.

40 USC 651  
note.

Whereas the State of Maryland and the Commonwealth of Virginia have entered into a compact, known as the Washington Metropolitan Area Transit Regulation Compact, hereinafter called compact, creating the Washington Metropolitan Area Transit Commission, hereinafter called Commission; and

Whereas Congress, by Public Law 86-794 (74 Stat. 1031), consented to the entry into the compact by the State of Maryland and the Commonwealth of Virginia, and authorized and directed the Board of Commissioners of the District of Columbia to enter into and execute the compact on behalf of the United States for the District of Columbia; and

Whereas the Commission has recommended specific amendments to the compact, to wit:

(1) To include within the Washington metropolitan area transit district the Dulles International Airport and all cities which lie within the metropolitan district;

(2) To exempt from the Commission's jurisdiction transportation performed by a carrier whose only transportation is between points outside the metropolitan district and points inside the metropolitan district;

(3) To clarify the Commission's jurisdiction over interstate taxicab operations;

(4) To provide that the annual reports of the Commission be submitted on a fiscal year basis; and

Whereas the State of Maryland and the Commonwealth of Virginia have by legislation (chapter 114, Acts of Maryland General Assembly, 1962; and chapter 67, Acts of Virginia General Assembly, 1962) adopted identical amendments to the compact, to become effective upon consent of Congress, by which article I, and sections 1 and 24 of article XII, respectively, of the compact are amended to read as follows:

## "ARTICLE I

"There is hereby created the Washington Metropolitan Area Transit District, hereinafter referred to as Metropolitan District, which shall embrace the District of Columbia, the cities of Alexandria and Falls Church, the counties of Arlington and Fairfax, and political subdivisions of the State of Virginia located within those counties and that portion of Loudoun County, Virginia, occupied by the Dulles International Airport and the counties of Montgomery and Prince Georges, in the State of Maryland and political subdivisions of the State of Maryland located within said counties, and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of said counties, cities and airport.

## "ARTICLE XII

## "Transportation Covered

"1. (a) This Act shall apply to the transportation for hire by any carrier of persons between any points in the Metropolitan

74 Stat. 1032,  
1035, 1049.

District and to the persons engaged in rendering or performing such transportation service, except—

- “(1) transportation by water;
- “(2) transportation by the Federal Government, the signatories hereto, or any political subdivision thereof;
- “(3) transportation by motor vehicles employed solely in transporting school children and teachers to or from public or private schools;
- “(4) transportation performed in the course of an operation over a regular route, between a point in the Metropolitan District and a point outside the Metropolitan District, including transportation between points on such regular route within the Metropolitan District as to interstate and foreign commerce, if authorized by certificate of public convenience and necessity or permit issued by the Interstate Commerce Commission, and any carrier whose only transportation within the Metropolitan District is within this exemption shall not be deemed to be a carrier subject to the Compact; provided, however, if the primary function of a carrier's entire operations is the furnishing of mass transportation service within the Washington Metropolitan Area Transit District, then such operations in the Metropolitan District shall be subject to the jurisdiction of the Commission;
- “(5) transportation performed by a common carrier by railroad subject to Part I of the Interstate Commerce Act, as amended.

24 Stat. 379.  
49 USC 1 et  
seq.

“(b) The provisions of this Title II shall not apply to transportation as specified in this section solely within the Commonwealth of Virginia and to the activities of persons engaged in such transportation, nor shall any provision of this Title II be construed to infringe the exercise of any power or the discharge of any duties conferred or imposed upon the State Corporation Commission of the Commonwealth of Virginia by the Virginia Constitution.

“(c) Notwithstanding the provisions of paragraph (a) of this section, this Act shall apply to taxicabs and other vehicles used in performing a bona fide taxicab service having a seating capacity of eight passengers or less in addition to the driver thereof with respect only to (i) the rate or charges for transportation from one signatory to another within the confines of the Metropolitan District, and (ii) requirements for minimum insurance coverage.

#### “Annual Report of the Commission

“24. The Commission shall make an annual report for each fiscal year ending June thirtieth, to the Governor of Virginia and the Governor of Maryland, and to the Board of Commissioners of the District of Columbia as soon as practicable after June thirtieth, but no later than the 1st day of January of each year, which shall contain, in addition to a report of the work performed under this Act, such other information and recommendations concerning passenger transportation within the Metropolitan District, as the Commission deems advisable.”

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the State of Maryland and the Commonwealth of Virginia to effectuate the foregoing amendments to the compact,*

Consent of  
Congress.

and the Commissioners of the District of Columbia are authorized and directed to effectuate said amendments on behalf of the United States for the District of Columbia.

Repeal.

SEC. 2. Section 5 of Public Law 86-794 (74 Stat. 1050) is repealed.

SEC. 3. The right of Congress to alter, amend, or repeal this Act is hereby expressly reserved.

Approved October 9, 1962.

## Public Law 87-768

### AN ACT

October 9, 1962  
[H. R. 8824]

To modify the application of the personal holding company tax in the case of consumer finance companies.

Consumer finance companies.  
Personal holding company tax, exception.  
68A Stat. 182.  
26 USC 542.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 542(c)(7) of the Internal Revenue Code of 1954 (relating to exceptions to the term "personal holding company") is amended to read as follows:

"(7) a lending company, not otherwise excepted by this subsection, authorized to engage in and actively and regularly engaged in the small loan business (consumer finance business) under one or more State statutes providing for the direct regulations of such business, 80 percent or more of the gross income of which consists of either or both of the following—

"(A) lawful interest, discount, or other authorized charges received from loans made to individuals in accordance with the provisions of applicable State law, and

"(B) lawful income received from domestic subsidiary corporations (of which stock possessing at least 80 percent of the voting power of all classes of stock and of which at least 80 percent of each class of the nonvoting stock is owned directly by such lending company), which are themselves excepted under this paragraph or paragraph (6), (8), or (9) of this subsection,

if at least 60 percent of the gross income is lawful interest, discount, or other authorized charges received from loans made in accordance with the provisions of such small loan (consumer finance) laws to individuals, each of whose indebtedness to such company did not at any time during the taxable year exceed in principal amount the limit prescribed for small loans by such law (or, if there is no such limit, \$1,500), and if the deductions allowed to such company under section 162 (relating to trade or business expenses), other than for compensation for personal services rendered by shareholders (including members of the shareholder's family as described in section 544(a)(2)), constitute 15 percent or more of its gross income, and the loans to a person, who is a shareholder in such company during the taxable year by or for whom 10 percent or more in value of its outstanding stock is owned directly or indirectly (including, in the case of an individual, stock owned by the members of his family as defined in section 544(a)(2)), outstanding at any time during such year do not exceed \$5,000 in principal amount;"

SEC. 2. The amendment made by the first section of this Act shall apply with respect to taxable years beginning after December 31, 1961.

Approved October 9, 1962.

Effective date.

68A Stat. 45.

68A Stat. 188.

## Public Law 87-769

## AN ACT

October 9, 1962  
[H. R. 310]

To amend title 10, United States Code, to authorize the Secretary of Defense, the Secretaries of the military departments, and the Secretary of the Treasury to settle certain claims for damage to, or loss of, property, or personal injury or death, not cognizable under any other law.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 10, United States Code, is amended as follows:

(1) Chapter 163 is amended—

(A) by adding the following new section at the end thereof:

**“§ 2736. Property loss; personal injury or death: incident to use of property of the United States and not cognizable under other law**

“(a) Under such regulations as the Secretary concerned may prescribe, he or his designee may settle and pay, in an amount not more than \$1,000, a claim against the United States, not cognizable under any other provision of law, for—

“(1) damage to, or loss of, property; or

“(2) personal injury or death;

caused by a civilian official or employee of a military department or the Coast Guard, or a member of the armed forces, incident to the use of a vehicle of the United States at any place, or any other property of the United States on a Government installation.

“(b) Under such regulations as the Secretary of Defense may prescribe, he or his designee has the same authority as the Secretary of a military department with respect to a claim, not cognizable under any other provision of law, for—

“(1) damage to, or loss of, property; or

“(2) personal injury or death;

caused by a civilian official or employee of the Department of Defense not covered by subsection (a), incident to the use of a vehicle of the United States at any place, or any other property of the United States on a Government installation.

“(c) A claim may not be allowed under subsection (a) or (b) if the damage to, or loss of, property, or the personal injury or death was caused wholly or partly by a negligent or wrongful act of the claimant, his agent, or his employee.

“(d) A claim for personal injury or death under this section may not be allowed for more than the cost of reasonable medical, hospital, and burial expenses actually incurred, and not otherwise furnished or paid by the United States.

“(e) No claim may be allowed under this section unless it is presented in writing within two years after it accrues.

“(f) A claim may not be paid under subsection (a) or (b) unless the amount tendered is accepted by the claimant in full satisfaction.

“(g) No claim or any part thereof, the amount of which is legally recoverable by the claimant under an indemnifying law or indemnity contract, may be paid under this section. No subrogated claim may be paid under this section.

“(h) So far as practicable, regulations prescribed under this section shall be uniform. Regulations prescribed under this section by the Secretaries of the military departments must be approved by the Secretary of Defense.”; and

Armed Forces.  
Property damage  
or personal injury  
claims, settle-  
ment authority.  
70A Stat. 152.  
10 USC 2731-  
2735.

(B) by adding the following item at the end of the analysis:

"2736. Property loss; personal injury or death: incident to use of property of the United States and not cognizable under other law."

Repeal.

(2) Chapter 653 is amended—

70A Stat. 473.

(A) by repealing section 7625; and

(B) by striking out the following item in the analysis:

"7625. Claims against the United States: private property; loss or damage."

Approved October 9, 1962.

## Public Law 87-770

### AN ACT

October 9, 1962  
[H. R. 6682]

To provide for the exemption of fowling nets from duty, and for other purposes.

Fowling nets.  
Free importation.  
46 Stat. 679.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph 1725 of the Tariff Act of 1930, as amended (U.S. Code, title 19, sec. 1201, par. 1725), is hereby further amended to read as follows:

"PAR. 1725. (a) Nets or finished sections of nets for use in otter trawl fishing, if composed wholly or in chief value of manila.

"(b) Nets or sections or parts of nets, finished or unfinished, of whatever material or materials composed, for use in taking wild birds under license issued by an appropriate Federal or State governmental authority."

Local advertising.  
Definition.  
74 Stat. 1017.

SEC. 2. (a) Section 4216(f)(4)(C) of the Internal Revenue Code of 1954 (relating to the definition of local advertising) is amended by striking out "or appears in a newspaper" and inserting in lieu thereof "appears in a newspaper or magazine, or is displayed by means of an outdoor advertising sign or poster".

(b) The amendment made by subsection (a) shall apply with respect to articles sold on or after the first day of the first calendar quarter beginning more than 20 days after the date of the enactment of this Act.

Approved October 9, 1962.

## Public Law 87-771

### AN ACT

October 9, 1962  
[H. R. 9747]

To amend section 514(1) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended.

Soldiers' and Sailors' Civil Relief Act of 1940, amendment.  
58 Stat. 722.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 514(1) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended (50 U.S.C. App. 574(1)), is amended—

(1) by striking out the colon before the proviso and inserting a period in place thereof; and

(2) by inserting the following before the proviso: "Where the owner of personal property is absent from his residence or domicile solely by reason of compliance with military or naval orders, this section applies with respect to personal property, or the use thereof, within any tax jurisdiction other than such place of residence or domicile, regardless of where the owner may be serving in compliance with such orders:".

Approved October 9, 1962.

## Public Law 87-772

## AN ACT

October 9, 1962  
[H. R. 4333]

To amend the Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (1) of subsection (a) of section 1 of the Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946 (60 Stat. 427), as amended, is amended by striking the words "as might be calculated to deceive" and inserting in lieu thereof "as to be likely, when applied to the goods of such other person, to cause confusion, or to cause mistake, or to deceive"; and by striking the words "or services" from the proviso thereof.

Trademarks.  
Registration and  
protection.

15 USC 1051.

SEC. 2. Subsection (d) of section 2 is amended by striking the language beginning with the word "confusion", first appearance, and ending with the word "herewith" at the end of said subsection and inserting in lieu thereof the following: "confusion, or to cause mistake, or to deceive: *Provided*, That when the Commissioner determines that confusion, mistake, or deception is not likely to result from the continued use by more than one person of the same or similar marks under conditions and limitations as to the mode or place of use of the marks or the goods in connection with which such marks are used, concurrent registrations may be issued to such persons when they have become entitled to use such marks as a result of their concurrent lawful use in commerce prior to (i) the earliest of the filing dates of the applications pending or of any registration issued under this Act; or (ii) July 5, 1947, in the case of registrations previously issued under the Act of March 3, 1881, or February 20, 1905, and continuing in full force and effect on that date; or (iii) July 5, 1947, in the case of applications filed under the Act of February 20, 1905, and registered after July 5, 1947. Concurrent registrations may also be issued by the Commissioner when a court of competent jurisdiction has finally determined that more than one person is entitled to use the same or similar marks in commerce. In issuing concurrent registrations, the Commissioner shall prescribe conditions and limitations as to the mode or place of use of the mark or the goods in connection with which such mark is registered to the respective persons."

Concurrent reg-  
istration.  
15 USC 1052.

21 Stat. 502.  
33 Stat. 724.  
15 USC 81 note.

SEC. 3. Section 6 is amended by striking the entire section and inserting in lieu thereof the following:

Unregistrable  
matter, dis-  
claimer.  
15 USC 1056.

"SEC. 6. (a) The Commissioner may require the applicant to disclaim an unregistrable component of a mark otherwise registrable. An applicant may voluntarily disclaim a component of a mark sought to be registered.

"(b) No disclaimer, including those made under paragraph (d) of section 7 of this Act, shall prejudice or affect the applicant's or registrant's rights then existing or thereafter arising in the disclaimed matter, or his right of registration on another application if the disclaimed matter be or shall have become distinctive of his goods or services."

Post, p. 770.

SEC. 4. The first sentence of subsection (a) of section 7 is amended by striking therefrom the word "either"; by striking the words "name printed" and inserting in lieu thereof the words "signature placed"; by striking the words "and attested by an assistant commissioner or by one of the law examiners duly designated by the Commissioner," and by striking the words "and a record thereof, together with printed

Registration  
certificates.  
15 USC 1057.

copies of the drawing and statement of the applicant, shall be kept in books for that purpose" and inserting in lieu thereof the words ", and a record thereof shall be kept in the Patent Office." The second sentence of subsection (a) of section 7 is amended by striking therefrom the word "certificate" and inserting the word "registration" in lieu thereof; by striking therefrom the words "the drawing of"; and by striking the words "the grant of".

Surrender, cancellation, or amendment.

Subsection (d) of section 7 is amended by striking the entire subsection and inserting in lieu thereof the following: "Upon application of the registrant the Commissioner may permit any registration to be surrendered for cancellation, and upon cancellation appropriate entry shall be made in the records of the Patent Office. Upon application of the registrant and payment of the prescribed fee, the Commissioner for good cause may permit any registration to be amended or to be disclaimed in part: *Provided*, That the amendment or disclaimer does not alter materially the character of the mark. Appropriate entry shall be made in the records of the Patent Office and upon the certificate of registration or, if said certificate is lost or destroyed, upon a certified copy thereof."

Patent Office records.

Subsection (e) of section 7 is amended by striking the words "certificates of"; by adding an "s" to the word "registration"; and striking the words "a chief of division" and inserting in lieu thereof "an employee of the Office".

Mistakes, correction.

Subsection (f) of section 7 is amended by striking from the first sentence the words ", signed by the Commissioner and sealed with the seal of the Patent Office"; by striking the word "certificate", second occurrence; and by striking the word "certificate", third occurrence, and inserting the word "registration" in lieu thereof.

Registration renewal.  
15 USC 1059.

SEC. 5. Section 9 is amended by striking the entire section and inserting in lieu thereof the following:

"SEC. 9. (a) Each registration may be renewed for periods of twenty years from the end of the expiring period upon payment of the prescribed fee and the filing of a verified application therefor, setting forth those goods or services recited in the registration on or in connection with which the mark is still in use in commerce and having attached thereto a specimen or facsimile showing current use of the mark, or showing that any nonuse is due to special circumstances which excuse such nonuse and it is not due to any intention to abandon the mark. Such application may be made at any time within six months before the expiration of the period for which the registration was issued or renewed, or it may be made within three months after such expiration on payment of the additional fee herein prescribed.

"(b) If the Commissioner refuses to renew the registration, he shall notify the registrant of his refusal and the reasons therefor.

"(c) An applicant for renewal not domiciled in the United States shall be subject to and comply with the provisions of section 1(d) hereof."

60 Stat. 427.  
15 USC 1051.

Assigned registration, cancellation.  
15 USC 1060.

SEC. 6. Section 10 is amended by changing the colon following the word "conducted" to a period and striking the words "*Provided*, That any assigned registration may be canceled at any time if the registered mark is being used by, or with the permission of, the assignee so as to misrepresent the source of the goods or services in connection with which the mark is used"; and striking the sentence "The Commissioner shall keep a separate record of such assignments submitted to him for recording." and inserting in lieu thereof "A separate record of assignments submitted for recording hereunder shall be maintained in the Patent Office."

15 USC 1062.

SEC. 7. Subsection (a) of section 12 is amended by changing the period at the end thereof to a colon and inserting after the colon the

following: "*Provided*, That in the case of an applicant claiming concurrent use, or in the case of an application to be placed in an interference as provided for in section 16 of this Act, the mark, if otherwise registrable, may be published subject to the determination of the rights of the parties to such proceedings."

15 USC 1066.

Subsection (c) of section 12 is amended by striking therefrom the first word of the last sentence and inserting in lieu thereof the words "Marks published under this".

15 USC 1062.

SEC. 8. Section 13 is amended by striking the words "notice of" each occurrence, and by adding at the end thereof the following sentence: "An opposition may be amended under such conditions as may be prescribed by the Commissioner."

15 USC 1063.

SEC. 9. Section 14 is amended by striking said section in its entirety and inserting in lieu thereof the following:

Registration  
cancellation,  
petition.

"SEC. 14. A verified petition to cancel a registration of a mark, stating the grounds relied upon, may, upon payment of the prescribed fee, be filed by any person who believes that he is or will be damaged by the registration of a mark on the principal register established by this Act, or under the Act of March 3, 1881, or the Act of February 20, 1905—

21 Stat. 502.

33 Stat. 724.

15 USC 81 note.

"(a) within five years from the date of the registration of the mark under this Act; or

"(b) within five years from the date of publication under section 12(c) hereof of a mark registered under the Act of March 3, 1881, or the Act of February 20, 1905; or

"(c) at any time if the registered mark becomes the common descriptive name of an article or substance, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of section 4 or of subsections (a), (b), or (c) of section 2 of this Act for a registration hereunder, or contrary to similar prohibitory provisions of said prior Acts for a registration thereunder, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services in connection with which the mark is used; or

15 USC 1054,  
1052.

"(d) at any time if the mark is registered under the Act of March 3, 1881, or the Act of February 20, 1905, and has not been published under the provisions of subsection (c) of section 12 of this Act; or

"(e) at any time in the case of a certification mark on the ground that the registrant (1) does not control, or is not able legitimately to exercise control over, the use of such mark, or (2) engages in the production or marketing of any goods or services to which the certification mark is applied, or (3) permits the use of the certification mark for purposes other than to certify, or (4) discriminately refuses to certify or to continue to certify the goods or services of any person who maintains the standards or conditions which such mark certifies:

"*Provided*, That the Federal Trade Commission may apply to cancel on the grounds specified in subsections (c) and (e) of this section any mark registered on the principal register established by this Act, and the prescribed fee shall not be required."

SEC. 10. Section 15 is amended by striking "(c) and (d)" in the first paragraph and inserting in lieu thereof the following: "(c) and (e)".

15 USC 1065.

Section 15 is amended by striking "or trade name" from paragraph numbered (4).

SEC. 11. Section 16 is amended by striking therefrom the word "purchasers".

SEC. 12. Section 21 is amended by striking the entire section, and inserting in lieu thereof the following:

15 USC 1071.



Appeals, procedure.

15 USC 1058.

"SEC. 21. (a) (1) An applicant for registration of a mark, party to an interference proceeding, party to an opposition proceeding, party to an application to register as a lawful concurrent user, party to a cancellation proceeding, a registrant who has filed an affidavit as provided in section 8, or an applicant for renewal, who is dissatisfied with the decision of the Commissioner or Trademark Trial and Appeal Board, may appeal to the United States Court of Customs and Patent Appeals thereby waiving his right to proceed under section 21(b) hereof: *Provided*, That such appeal shall be dismissed if any adverse party to the proceeding, other than the Commissioner, shall, within twenty days after the appellant has filed notice of appeal according to section 21(a) (2) hereof, files notice with the Commissioner that he elects to have all further proceedings conducted as provided in section 21(b) hereof. Thereupon the appellant shall have thirty days thereafter within which to file a civil action under said section 21(b), in default of which the decision appealed from shall govern the further proceedings in the case.

"(2) When an appeal is taken to the United States Court of Customs and Patent Appeals, the appellant shall give notice thereof to the Commissioner, and shall file in the Patent Office his reasons of appeal, specifically set forth in writing, within such time after the date of the decision appealed from, not less than sixty days, as the Commissioner appoints.

"(3) The court shall, before hearing such appeal, give notice of the time and place of the hearing to the Commissioner and the parties thereto. The Commissioner shall transmit to the court certified copies of all the necessary original papers and evidence in the case specified by the appellant and any additional papers and evidence specified by the appellee, and in an ex parte case the Commissioner shall furnish the court with the grounds of the decision of the Patent Office, in writing, touching all the points involved by the reasons of appeal.

"(4) The court shall hear and determine such appeal on the evidence produced before the Patent Office, and the decision shall be confined to the points set forth in the reasons of appeal. Upon its determination, the court shall return to the Commissioner a certificate of its proceedings and decision, which shall be entered of record in the Patent Office and govern the further proceedings in the case.

Civil action.

"(b) (1) Whenever a person authorized by section 21(a) hereof to appeal to the United States Court of Customs and Patent Appeals is dissatisfied with the decision of the Commissioner or Trademark Trial and Appeal Board, said person may, unless appeal has been taken to said Court of Customs and Patent Appeals, have remedy by a civil action if commenced within such time after such decision, not less than sixty days, as the Commissioner appoints or as provided in section 21(a). The court may adjudge that an applicant is entitled to a registration upon the application involved, that a registration involved should be canceled, or such other matter as the issues in the proceeding require, as the facts in the case may appear. Such adjudication shall authorize the Commissioner to take any necessary action, upon compliance with the requirements of law.

"(2) The Commissioner shall not be made a party to an inter partes proceeding under this subsection, but he shall be notified of the filing of the complaint by the clerk of the court in which it is filed and shall have the right to intervene in the action.

"(3) In all cases where there is no adverse party, a copy of the complaint shall be served on the Commissioner; and all the expenses of the proceedings shall be paid by the party bringing them, whether the final decision is in his favor or not. In suits brought hereunder, the record in the Patent Office shall be admitted on motion of any

party, upon such terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court imposes, without prejudice to the right of any party to take further testimony. The testimony and exhibits of the record in the Patent Office, when admitted, shall have the same effect as if originally taken and produced in the suit.

“(4) Where there is an adverse party, such suit may be instituted against the party in interest as shown by the records of the Patent Office at the time of the decision complained of, but any party in interest may become a party to the action. If there be adverse parties residing in a plurality of districts not embraced within the same State, or an adverse party residing in a foreign country, the United States District Court for the District of Columbia shall have jurisdiction and may issue summons against the adverse parties directed to the marshal of any district in which any adverse party resides. Summons against adverse parties residing in foreign countries may be served by publication or otherwise as the court directs.”

SEC. 13. Section 23 is amended by striking from the last paragraph thereof the words “has begun the lawful use of his mark in foreign commerce and that he”.

60 Stat. 435.  
15 USC 1091.

SEC. 14. Section 24 is amended by inserting in the second sentence thereof, following the word “time”, the following: “, upon payment of the prescribed fee and the filing of a verified petition stating the ground therefor,”; and by inserting in the third sentence following the word “Board” the word “which”.

15 USC 1092.

SEC. 15. Section 29 is amended by deleting the following: “under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register established by this Act, shall” and inserting in lieu thereof the following: “in the Patent Office, may”; and by deleting “so to mark goods bearing the registered mark, or by a registrant under the Act of March 19, 1920, or by the registrant of a mark on the supplemental register provided by this Act” and inserting in lieu thereof “to give such notice of registration,”.

15 USC 1111.  
21 Stat. 502.  
33 Stat. 724.  
15 USC 81 note.

SEC. 16. Section 30 is amended by striking the word “shall” in the first sentence and inserting in lieu thereof the word “may”; and by striking therefrom all of said section except the first sentence thereof and inserting in lieu thereof the following: “The applicant may file an application to register a mark for any or all of the goods and services upon or in connection with which he is actually using the mark: *Provided*, That when such goods or services fall within a plurality of classes, a fee equaling the sum of the fees for filing an application in each class shall be paid, and the Commissioner may issue a single certificate of registration for such mark.”

41 Stat. 533.  
15 USC 81 note.

SEC. 17. Subsection (1) of section 32 is amended by striking the entire subsection and inserting in lieu thereof the following:

15 USC 1112.

“Any person who shall, without the consent of the registrant—

15 USC 1114.

“(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

Infringement.

“(b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive."

Paragraph (b) of subsection (2) of section 32 is amended by striking the word "published" and inserting in lieu thereof the word "publisher".

Registered  
mark.  
60 Stat. 438.  
15 USC 1115.

SEC. 18. Subsection (a) of section 33 is amended by striking therefrom the words "certificate of" in the first line, and changing "certificate", second appearance, to "registration".

Subsection (b) of section 33 is amended by striking the word "certificate", first appearance, and inserting the word "registration" in lieu thereof and by striking therefrom the word "certificate", second appearance, and inserting in lieu thereof "affidavit filed under the provisions of said section 15".

Ante, p. 771.

Paragraph (3) of subsection (b) of section 33 is amended by striking therefrom the words "has been assigned and"; and by striking therefrom the word "assignee" and inserting in lieu thereof the words "registrant or a person in privity with the registrant".

Paragraph (5) of subsection (b) of section 33 is amended by striking therefrom the word "the" following the words "date prior to" and inserting in lieu thereof the words "registration of the mark under this Act or"; by striking therefrom "(a) or" following the word "subsection"; and by changing the period to "; or".

Paragraph (6) of subsection (b) of section 33 is amended by inserting the words "registration under this Act or" after the word "the", second appearance; by striking therefrom "(a) or" following the word "subsection", first appearance; by striking from the proviso the words "only where the said mark has been published pursuant to subsection (c) of section 12 and shall apply"; by striking the words "the date of" following the words "prior to" in said proviso and inserting in lieu thereof "such registration or such"; by striking therefrom the words "under subsection (a) or (c) of section 12 of this Act"; and by changing the period to "; or".

Ante, p. 771.

15 USC 1117.

SEC. 19. Section 35 is amended by striking "31(1)(b)" and inserting in lieu thereof "32".

International  
conventions.  
15 USC 1126.

SEC. 20. Subsection (b) of section 44 is amended by striking said subsection in its entirety and inserting in lieu thereof the following:

"(b) Any person whose country of origin is a party to any convention or treaty relating to trademarks, trade or commercial names, or the repression of unfair competition, to which the United States is also a party, or extends reciprocal rights to nationals of the United States by law, shall be entitled to the benefits of this section under the conditions expressed herein to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of a mark is otherwise entitled by this Act."

Subsection (e) of section 44 is amended by inserting after the word "a" in the second sentence the words "certification or a"; and by striking from said second sentence the words "application for or".

Definitions.  
15 USC 1127.

SEC. 21. Section 45 is amended as follows: The sixth paragraph of said section, relating to the definition of "applicant, registrant", is amended by changing "and", second appearance, to ", predecessors."

The ninth paragraph of said section, relating to the meaning of the terms "trade name" and "commercial name", is amended by inserting a comma between the words "commercial" and "agricultural".

The eleventh paragraph of said section, being the definition of "service mark", is amended by striking the definition in its entirety and inserting in lieu thereof:

"The term 'service mark' means a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others. Titles, character names and other distinctive features of radio or television programs may be registered as service marks notwithstanding that they, or the programs, may advertise the goods of the sponsor."

The fifteenth paragraph of said section, relating to use in commerce, is amended by changing the period at the end of said paragraph to a comma and adding the words "or the services are rendered in more than one State or in this and a foreign country and the person rendering the services is engaged in commerce in connection therewith."

The seventeenth paragraph of said section, relating to the meaning of the term "colorable imitation", is amended by changing "terms" to "term" and deleting the word "purchasers" at the end thereof.

The final paragraph of said section is amended by striking therefrom the word "commence" and inserting in lieu thereof the word "commerce".

Approved October 9, 1962.

## Public Law 87-773

### AN ACT

To provide criminal penalties for trafficking in phonograph records bearing forged or counterfeit labels.

October 9, 1962  
[H. R. 11793]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 113, title 18, United States Code, as amended, is further amended by adding at the end thereof the following new section:

Phonograph  
records bearing  
forged labels.  
Penalty for  
transportation.

#### **"§ 2318. Transportation, sale, or receipt of phonograph records bearing forged or counterfeit labels**

"Whoever knowingly and with fraudulent intent transports, causes to be transported, receives, sells, or offers for sale in interstate or foreign commerce any phonograph record, disk, wire, tape, film, or other article on which sounds are recorded, to which or upon which is stamped, pasted, or affixed any forged or counterfeited label, knowing the label to have been falsely made, forged, or counterfeited, shall be fined not more than \$1,000 or imprisoned not more than one year, or both."

SEC. 2. The chapter analysis of chapter 113, title 18, United States Code, is amended by adding at the end thereof the following:

"Sec. 2318. Transportation, sale, or receipt of phonograph records bearing forged or counterfeit labels."

Approved October 9, 1962.

## Public Law 87-774

### AN ACT

To eliminate the requirements for certain detailed estimates in the annual budgets.

October 9, 1962  
[H. R. 10613]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (d) of section 5 of the Act of July 16, 1914, as amended by section 16 of the Administrative Expenses Act of 1946 (5 U.S.C. 78(d)) is repealed.

60 Stat. 810.  
Repeal.

Approved October 9, 1962.

## Public Law 87-775

## AN ACT

October 9, 1962  
[H. R. 11590]

To provide for the disposition of judgment funds of the Cherokee Nation or Tribe of Indians of Oklahoma.

Indians.  
Cherokee Tribe,  
Okla.  
Judgment funds,  
disposition.  
25 USC 355  
note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized and directed to distribute per capita to all persons whose names appear on the rolls of the Cherokee Nation, which rolls were closed and made final as of March 4, 1907, pursuant to the Act of April 26, 1906 (34 Stat. 137), and subsequent additions thereto, all funds which were appropriated by the Act of September 30, 1961 (75 Stat. 733), in satisfaction of a judgment that was obtained by the Cherokee Tribe in the Indian Claims Commission against the United States in docket numbered 173, together with the interest accrued thereon, except \$1,432,084.17 which by stipulation of the parties has been set aside for the payments of any offsets that are finally determined to be due the United States, and except the amount allowed for attorney fees and expenses.

Share payments.

SEC. 2. (a) Except as provided in subsections (b) and (c) of this section, a share or proportional share payable to a living adult shall be paid directly to such adult; (b) a share payable to a deceased enrollee shall be distributed to his heirs or legatees upon the filing of proof of death and inheritance satisfactory to the Secretary of the Interior, or his authorized representative, whose findings and determinations upon such proof shall be final and conclusive: *Provided*, That proportional shares of deceased heirs amounting to \$10 or less shall not be distributed, and no inherited share amounting to \$5 or less shall be paid, and the money shall revert to the tribe; (c) a share or proportional share payable to a person under twenty-one years of age or to a person under legal disability shall be paid in accordance with such procedures as the Secretary determines will adequately protect the best interests of such persons.

Claims.

SEC. 3. (a) All claims for per capita shares, whether by a living enrollee or by the heirs or legatees of a deceased enrollee, shall be filed with the Area Director of the Bureau of Indian Affairs, Muskogee, Oklahoma, not later than three years from the date of approval of this Act. Thereafter, all claims and the right to file same shall be forever barred and the unclaimed shares shall revert to the tribe.

(b) Tribal funds that revert to the tribe pursuant to this Act, including interest and income therefrom, may be advanced or expended for any purpose that is authorized by the principal chief of the Cherokee Nation and approved by the Secretary of the Interior.

Tax exemption.

SEC. 4. No part of any funds which may be distributed in accordance with the provisions of this Act shall be subject to Federal or State income tax.

Funds not subject to liens, etc.

SEC. 5. No part of any of the funds which may be so distributed shall be subject to any lien, debt, or claim of any nature whatsoever against the tribe or individual Indians except delinquent debts owed by the tribe to the United States, or owed by individual Indians to the tribe or to the United States.

SEC. 6. Payments made under this Act shall not be held to be "other income and resources", as that term is used in sections 2(a)(10)(A), 402(a)(7), 1002(a)(8), and 1402(a)(8) of the Social Security Act (42 U.S.C. 302(a)(10)(A), 602(a)(7), 1202(a)(8), and 1352(a)(8)).

74 Stat. 988;  
53 Stat. 1379;  
74 Stat. 997;  
64 Stat. 555.

SEC. 7. All costs incident to making the payments authorized by this Act shall be paid by appropriate withdrawals from the judgment fund and interest on the judgment fund, using the interest fund first.

Cost payments.

SEC. 8. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act.

Rules and regulations.

Approved October 9, 1962.

## Public Law 87-776

### AN ACT

To amend the Administrative Expenses Act of 1946 to provide a more reasonable allowance for transportation of house trailers or mobile dwellings by certain governmental officers and employees upon their transfer from one official station to another.

October 9, 1962  
[H. R. 10652]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the last sentence of subsection (b) of the first section of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-1) is amended by striking out "to a reasonable allowance, not to exceed 20 cents per mile, in lieu of such transportation" and inserting in lieu thereof, "in lieu of the transportation to which he would otherwise be entitled under subsection (a) of this section, to a reasonable allowance, not to exceed 20 cents per mile for transportation of the house trailer or mobile dwelling if such trailer or dwelling is transported by such officer or employee, or, if such trailer or dwelling is not so transported by such officer or employee, to commercial transportation of the house trailer or mobile dwelling, at Government expense, or reimbursement to such officer or employee therefor, including the payment of necessary tolls, charges, and permit fees, except that no payment under this sentence shall exceed the maximum payment to which such officer or employee would otherwise be entitled under this section for transportation and temporary storage of his household goods and personal effects in connection with this transfer".

Administrative Expenses Act of 1946, amendment. 60 Stat. 806; 72 Stat. 14.

Approved October 9, 1962.

## Public Law 87-777

### AN ACT

To amend section 6112 of title 10, United States Code.

October 9, 1962  
[H. R. 11217]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6112 of title 10, United States Code, is amended—

(1) by striking out the designation "(a)" at the beginning thereof; and

(2) by repealing subsection (b).

SEC. 2. Section 1409 of the Supplemental Appropriation Act, 1953 (66 Stat. 661), and section 1309 of the Supplemental Appropriation Act, 1954 (67 Stat. 437; 5 U.S.C. 59c), are each amended by striking out the word "two" and inserting in lieu thereof the word "three".

Approved October 9, 1962.

Naval Service. Retired officers, withholding pay. 70A Stat. 381.

## Public Law 87-778

October 9, 1962  
[H. R. 11887]

## AN ACT

To provide for the conveyance of all right, title, and interest of the United States reserved or retained in certain lands heretofore conveyed to the city of El Paso, Texas.

El Paso, Tex.  
Land convey-  
ance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army is authorized and directed to convey to the city of El Paso, Texas, all of the right, title, and interest of the United States reserved or retained in parcel C by the quitclaim deed from the United States to the city of El Paso, Texas, dated June 27, 1957, entered into under authority of the Act of August 2, 1956 (70 Stat. 950; Public Law 929, Eighty-fourth Congress).

## Conditions.

SEC. 2. The conveyance authorized herein shall be subject to the following conditions:

(a) That the city, in accepting the conveyance, agrees for itself, its grantees, successors, and assigns to forego (1) any use of the property which will be noxious by the emission of smoke, noise, odor, or dust, and (2) the erection on the premises of any structure exceeding 500 feet in height above the ground.

(b) That the city shall pay to the United States the fair market value of the property interest conveyed under the first section of this Act.

Approved October 9, 1962.

## Public Law 87-779

October 9, 1962  
[H. R. 13044]

## AN ACT

To amend the Home Owners' Loan Act of 1933 and the Federal Home Loan Bank Act.

Housing.  
Multifamily  
loans.  
Home Owners'  
Loan Act of 1933,  
amendment.  
48 Stat. 132.  
12 USC 1464.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) so much of the first sentence of section 5(c) of the Home Owners' Loan Act of 1933 as precedes the comma after "first lien thereon" is amended to read as follows: "Such associations shall lend their funds only on the security of their shares or on the security of first liens upon real property within fifty miles of their home office which constitute first liens upon homes, combinations of homes and business property, other dwelling units, or combinations of dwelling units, including homes, and business property involving only minor or incidental business use (all of which may be defined by the Board) : *Provided*, That not more than \$35,000 for each single-family dwelling, and not more than such amount per room as the Board may determine by regulation within the limits allowable (at the time of the loan) in section 207(c) (3) of the National Housing Act for any other dwelling unit covered by such lien, shall be loaned on the security of any such lien, and the Board shall by regulation limit to not more than 15 per centum of the assets of the association the aggregate amount or amounts of the

70 Stat. 1092.  
12 USC 1713.

investments which may be made by an association under the foregoing provisions of this sentence on the security of property which comprises or includes more than four dwelling units or does not constitute homes or combinations of homes and business property; except that not exceeding 20 per centum of the assets of such association may be loaned on the security of first liens upon improved real estate without regard to the foregoing limitations".

(b) The first sentence of such section 5(c) is further amended by striking out "one- to four-family homes" in the first proviso and inserting in lieu thereof "real property of the type described in this sentence in the matter preceding this proviso".

73 Stat. 687.

(c) The fourth paragraph of such section 5(c) is amended by striking out "\$35,000 limitation" and inserting in lieu thereof "dollar amount limitation".

75 Stat. 189.

SEC. 2. (a) Paragraph (6) of section 2 of the Federal Home Loan Bank Act is amended by striking out "upon which there is located a dwelling for not more than four families" and inserting in lieu thereof "upon which is located, or which comprises or includes, one or more homes or other dwelling units, all of which may be defined by the Board".

Federal Home  
Loan Bank Act,  
amendment.48 Stat. 1264;  
49 Stat. 293.  
12 USC 1422.

(b) Section 10(b) of such Act is amended by striking out "\$35,000" and inserting in lieu thereof "a sum equal to \$35,000 for each home or other dwelling unit covered by such mortgage".

47 Stat. 732;  
68 Stat. 634.  
12 USC 1430.

Approved October 9, 1962.

## Public Law 87-780

### JOINT RESOLUTION

Providing for the establishment of an annual National School Lunch Week.

October 9, 1962  
[S. J. Res. 211]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the seven-day period beginning on the second Sunday of October in each year is hereby designated as National School Lunch Week, and the President is requested to issue annually a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

National School  
Lunch Week.

Approved October 9, 1962.



## Public Law 87-781

October 10, 1962  
[S. 1552]

## AN ACT

To protect the public health by amending the Federal Food, Drug, and Cosmetic Act to assure the safety, effectiveness, and reliability of drugs, authorize standardization of drug names, and clarify and strengthen existing inspection authority; and for other purposes.

Drug Amend-  
ments of 1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "Drug Amendments of 1962".

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## TITLE I—DRUGS

## PART A—AMENDMENTS TO ASSURE SAFETY, EFFECTIVENESS, AND RELIABILITY

## REQUIREMENT OF ADEQUATE CONTROLS IN MANUFACTURE

SEC. 101. Clause (2) of section 501(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351(a)) is amended to read as follows: "(2) (A) if it has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or (B) if it is a drug and the methods used in, or the facilities or controls used for, its manufacture, processing, packing, or holding do not conform to or are not

operated or administered in conformity with current good manufacturing practice to assure that such drug meets the requirements of this Act as to safety and has the identity and strength, and meets the quality and purity characteristics, which it purports or is represented to possess;”.

EFFECTIVENESS AND SAFETY OF NEW DRUGS

SEC. 102. (a) (1) Section 201(p) (1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(p) (1)), defining the term “new drug”, is amended by (A) inserting therein, immediately after the words “to evaluate the safety”, the words “and effectiveness”, and (B) inserting therein, immediately after the words “as safe”, the words “and effective”.

52 Stat. 1041.

(2) Section 201(p) (2) of such Act (21 U.S.C. 321(p) (2)) is amended by inserting therein, immediately after the word “safety”, the words “and effectiveness”.

(b) Section 505(b) of such Act (21 U.S.C. 355(b)) is amended by inserting therein, immediately after the words “is safe for use”, the words “and whether such drug is effective in use”.

52 Stat. 1052.

(c) Section 505(d) of such Act (21 U.S.C. 355(d)) is amended to read as follows:

“(d) If the Secretary finds, after due notice to the applicant in accordance with subsection (c) and giving him an opportunity for a hearing, in accordance with said subsection, that (1) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such drug is safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof; (2) the results of such tests show that such drug is unsafe for use under such conditions or do not show that such drug is safe for use under such conditions; (3) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to preserve its identity, strength, quality, and purity; (4) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such drug, he has insufficient information to determine whether such drug is safe for use under such conditions; or (5) evaluated on the basis of the information submitted to him as part of the application and any other information before him with respect to such drug, there is a lack of substantial evidence that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling thereof; or (6) based on a fair evaluation of all material facts, such labeling is false or misleading in any particular; he shall issue an order refusing to approve the application. If, after such notice and opportunity for hearing, the Secretary finds that clauses (1) through (6) do not apply, he shall issue an order approving the application. As used in this subsection and subsection (e), the term ‘substantial evidence’ means evidence consisting of adequate and well-controlled investigations, including clinical investigations, by experts qualified by scientific training and experience to evaluate the effectiveness of the drug involved, on the basis of which it could fairly and responsibly be concluded by such experts that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the labeling or proposed labeling thereof.”

Grounds for refusing application.

Approval of application.

(d) Section 505(e) of such Act (21 U.S.C. 355(e)) is amended to read as follows:

52 Stat. 1052.

Suspension of  
approval.

“(e) The Secretary shall, after due notice and opportunity for hearing to the applicant, withdraw approval of an application with respect to any drug under this section if the Secretary finds (1) that clinical or other experience, tests, or other scientific data show that such drug is unsafe for use under the conditions of use upon the basis of which the application was approved; (2) that new evidence of clinical experience, not contained in such application or not available to the Secretary until after such application was approved, or tests by new methods, or tests by methods not deemed reasonably applicable when such application was approved, evaluated together with the evidence available to the Secretary when the application was approved, shows that such drug is not shown to be safe for use under the conditions of use upon the basis of which the application was approved; or (3) on the basis of new information before him with respect to such drug, evaluated together with the evidence available to him when the application was approved, that there is a lack of substantial evidence that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the labeling thereof; or (4) that the application contains any untrue statement of a material fact: *Provided*, That if the Secretary (or in his absence the officer acting as Secretary) finds that there is an imminent hazard to the public health, he may suspend the approval of such application immediately, and give the applicant prompt notice of his action and afford the applicant the opportunity for an expedited hearing under this subsection; but the authority conferred by this proviso to suspend the approval of an application shall not be delegated. The Secretary may also, after due notice and opportunity for hearing to the applicant, withdraw the approval of an application with respect to any drug under this section if the Secretary finds (1) that the applicant has failed to establish a system for maintaining required records, or has repeatedly or deliberately failed to maintain such records or to make required reports, in accordance with a regulation or order under subsection (j), or the applicant has refused to permit access to, or copying or verification of, such records as required by paragraph (2) of such subsection; or (2) that on the basis of new information before him, evaluated together with the evidence before him when the application was approved, the methods used in, or the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to assure and preserve its identity, strength, quality, and purity and were not made adequate within a reasonable time after receipt of written notice from the Secretary specifying the matter complained of; or (3) that on the basis of new information before him, evaluated together with the evidence before him when the application was approved, the labeling of such drug, based on a fair evaluation of all material facts, is false or misleading in any particular and was not corrected within a reasonable time after receipt of written notice from the Secretary specifying the matter complained of. Any order under this subsection shall state the findings upon which it is based.”

#### RECORDS AND REPORTS AS TO EXPERIENCE ON NEW DRUGS

52 Stat. 1052.

SEC. 103. (a) Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end thereof the following new subsection:

“(j) (1) In the case of any drug for which an approval of an application filed pursuant to this section is in effect, the applicant shall establish and maintain such records, and make such reports to the Secretary, of data relating to clinical experience and other data or

information, received or otherwise obtained by such applicant with respect to such drug, as the Secretary may by general regulation, or by order with respect to such application, prescribe on the basis of a finding that such records and reports are necessary in order to enable the Secretary to determine, or facilitate a determination, whether there is or may be ground for invoking subsection (e) of this section: *Provided, however,* That regulations and orders issued under this subsection and under subsection (i) shall have due regard for the professional ethics of the medical profession and the interests of patients and shall provide, where the Secretary deems it to be appropriate, for the examination, upon request, by the persons to whom such regulations or orders are applicable, of similar information received or otherwise obtained by the Secretary.

“(2) Every person required under this section to maintain records, and every person in charge or custody thereof, shall, upon request of an officer or employee designated by the Secretary, permit such officer or employee at all reasonable times to have access to and copy and verify such records.”

Access to records.

(b) Section 505(i) of such Act (21 U.S.C. 355(i)) is amended (1) by inserting “the foregoing subsections of” immediately after “operation of”; (2) by inserting “and effectiveness” immediately after “safety”; and (3) by adding at the end thereof the following new sentences: “Such regulations may, within the discretion of the Secretary, among other conditions relating to the protection of the public health, provide for conditioning such exemption upon—

52 Stat. 1052.

Regulations pertaining to exemption.

“(1) the submission to the Secretary, before any clinical testing of a new drug is undertaken, of reports, by the manufacturer or the sponsor of the investigation of such drug, of preclinical tests (including tests on animals) of such drug adequate to justify the proposed clinical testing;

“(2) the manufacturer or the sponsor of the investigation of a new drug proposed to be distributed to investigators for clinical testing obtaining a signed agreement from each of such investigators that patients to whom the drug is administered will be under his personal supervision, or under the supervision of investigators responsible to him, and that he will not supply such drug to any other investigator, or to clinics, for administration to human beings; and

“(3) the establishment and maintenance of such records, and the making of such reports to the Secretary, by the manufacturer or the sponsor of the investigation of such drug, of data (including but not limited to analytical reports by investigators) obtained as the result of such investigational use of such drug, as the Secretary finds will enable him to evaluate the safety and effectiveness of such drug in the event of the filing of an application pursuant to subsection (b).

Such regulations shall provide that such exemption shall be conditioned upon the manufacturer, or the sponsor of the investigation, requiring that experts using such drugs for investigational purposes certify to such manufacturer or sponsor that they will inform any human beings to whom such drugs, or any controls used in connection therewith, are being administered, or their representatives, that such drugs are being used for investigational purposes and will obtain the consent of such human beings or their representatives, except where they deem it not feasible or, in their professional judgment, contrary to the best interests of such human beings. Nothing in this subsection shall be construed to require any clinical investigator to submit directly to the Secretary reports on the investigational use of drugs.”

52 Stat. 1042. (c) Section 301(e) of such Act (21 U.S.C. 331(e)) is amended to read as follows:

21 USC 373. “(e) The refusal to permit access to or copying of any record as  
21 USC 355. required by section 703; or the failure to establish or maintain any rec-  
*Ante*, p. 782. ord, or make any report, required under section 505 (i) or (j), or the  
refusal to permit access to or verification or copying of any such  
required record.”

52 Stat. 1043. (d) Section 302(a) of such Act (21 U.S.C. 332(a)) is amended by striking out “(e),”.

#### NEW DRUG CLEARANCE PROCEDURE

52 Stat. 1052. SEC. 104. (a) Section 505(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(a)), is amended to read as follows:

“(a) No person shall introduce or deliver for introduction into interstate commerce any new drug, unless an approval of an application filed pursuant to subsection (b) is effective with respect to such drug.”

(b) Section 505(c) of such Act (21 U.S.C. 355(c)) is amended to read as follows:

“(c) Within one hundred and eighty days after the filing of an application under this subsection, or such additional period as may be agreed upon by the Secretary and the applicant, the Secretary shall either—

“(1) approve the application if he then finds that none of the grounds for denying approval specified in subsection (d) applies, or

“(2) give the applicant notice of an opportunity for a hearing before the Secretary under subsection (d) on the question whether such application is approvable. If the applicant elects to accept the opportunity for hearing by written request within thirty days after such notice, such hearing shall commence not more than ninety days after the expiration of such thirty days unless the Secretary and the applicant otherwise agree. Any such hearing shall thereafter be conducted on an expedited basis and the Secretary's order thereon shall be issued within ninety days after the date fixed by the Secretary for filing final briefs.”

(c) Section 505(f) of such Act (21 U.S.C. 355(f)) is amended to read as follows:

“(f) Whenever the Secretary finds that the facts so require, he shall revoke any previous order under subsection (d) or (e) refusing, withdrawing, or suspending approval of an application and shall approve such application or reinstate such approval, as may be appropriate.”

Appeal.

52 Stat. 1052.

(d) (1) The first four sentences of section 505(h) of such Act (21 U.S.C. 355(h)) are amended to read as follows: “An appeal may be taken by the applicant from an order of the Secretary refusing or withdrawing approval of an application under this section. Such appeal shall be taken by filing in the United States court of appeals for the circuit wherein such applicant resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia Circuit, within sixty days after the entry of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose, and thereupon the Secretary shall certify and file in the court the record upon which the order complained of was entered, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition such court shall have exclusive jurisdiction to affirm or set aside such order, except that until the filing of the record the Secretary may modify or set aside his order.”

72 Stat. 941.

(2) The ninth sentence of such section 505(h) is amended to read as follows: "The judgment of the court affirming or setting aside any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code."

21 USC 355.

(3) The amendments made by this subsection shall not apply to any appeal taken prior to the date of enactment of this Act.

62 Stat. 928.

(e) (1) Section 301(l) of such Act (21 U.S.C. 331(l)) is amended by (1) inserting "approval of" before "an application", and (2) striking out "effective" and inserting in lieu thereof "in effect".

52 Stat. 1042.

(2) Clause (C) of section 503(b)(1) of such Act (21 U.S.C. 353(b)(1)) is amended by striking out "effective" and inserting in lieu thereof "approved".

52 Stat. 1051.

(f) (1) Clause (A) of paragraph (3) of section 409(c) of such Act (21 U.S.C. 348(c)) is amended by inserting before the semicolon at the end thereof the following: ", except that this proviso shall not apply with respect to the use of a substance as an ingredient of feed for animals which are raised for food production, if the Secretary finds (i) that, under the conditions of use and feeding specified in proposed labeling and reasonably certain to be followed in practice, such additive will not adversely affect the animals for which such feed is intended, and (ii) that no residue of the additive will be found (by methods of examination prescribed or approved by the Secretary by regulations, which regulations shall not be subject to subsections (f) and (g)) in any edible portion of such animal after slaughter or in any food yielded by or derived from the living animal".

72 Stat. 1785.

(2) Subparagraph (B) of paragraph (5) of section 706(b) of such Act (21 U.S.C. 376(b)) is amended by inserting before the period at the end of the subparagraph a colon and the following proviso: "*Provided*, That clause (i) of this subparagraph (B) shall not apply with respect to the use of a color additive as an ingredient of feed for animals which are raised for food production, if the Secretary finds that, under the conditions of use and feeding specified in proposed labeling and reasonably certain to be followed in practice, such additive will not adversely affect the animals for which such feed is intended, and that no residue of the additive will be found (by methods of examination prescribed or approved by the Secretary by regulations, which regulations shall not be subject to subsection (d)) in any edible portion of such animals after slaughter or in any food yielded by or derived from the living animal".

74 Stat. 399.

#### CERTIFICATION OF ANTIBIOTICS

SEC. 105. (a) Section 507(a) of such Act (21 U.S.C. 357(a)) is amended by adding at the end thereof the following new sentence: "For purposes of this section and of section 502(l), the term 'antibiotic drug' means any drug intended for use by man containing any quantity of any chemical substance which is produced by a micro-organism and which has the capacity to inhibit or destroy micro-organisms in dilute solution (including the chemically synthesized equivalent of any such substance)."

59 Stat. 463.

(b) Section 507(a) of such Act (21 U.S.C. 357(a)) is further amended by striking the word "or" preceding the word "bacitracin" and by adding after the word "bacitracin" a comma and the following: "or any other antibiotic drug,".

(c) Section 502(l) of such Act (21 U.S.C. 352(l)) is amended by striking the word "or" preceding the word "bacitracin" and by adding immediately after "bacitracin," the following: "or any other antibiotic drug,".

59 Stat. 463.

59 Stat. 464.  
Exemption; de-  
terminations.

(d) Section 507(c) of such Act (21 U.S.C. 357(c)) is amended by adding at the end thereof the following: "In deciding whether an antibiotic drug, or class of antibiotic drugs, is to be exempted from the requirement of certification the Secretary shall give consideration, among other relevant factors, to—

"(1) whether such drug or class of drugs is manufactured by a person who has, or hereafter shall have, produced fifty consecutive batches of such drug or class of drugs in compliance with the regulations for the certification thereof within a period of not more than eighteen calendar months, upon the application by such person to the Secretary; or

"(2) whether such drug or class of drugs is manufactured by any person who has otherwise demonstrated such consistency in the production of such drug or class of drugs, in compliance with the regulations for the certification thereof, as in the judgment of the Secretary is adequate to insure the safety and efficacy of use thereof.

When an antibiotic drug or a drug manufacturer has been exempted from the requirement of certification, the manufacturer may still obtain certification of a batch or batches of that drug if he applies for and meets the requirements for certification. Nothing in this Act shall be deemed to prevent a manufacturer or distributor of an antibiotic drug from making a truthful statement in labeling or advertising of the product as to whether it has been certified or exempted from the requirement of certification."

59 Stat. 464.

21 USC 355.

(e) The first sentence of section 507(e) of such Act (21 U.S.C. 357(e)) is amended to read as follows: "No drug which is subject to section 507 shall be deemed to be subject to any provision of section 505 except a new drug exempted from the requirements of this section and of section 502(1) pursuant to regulations promulgated by the Secretary: *Provided*, That, for purposes of section 505, the initial request for certification, as thereafter duly amended, pursuant to section 507, of a new drug so exempted shall be considered a part of the application filed pursuant to section 505(b) with respect to the person filing such request and to such drug as of the date of the exemption."

59 Stat. 463;  
Post, p. 787.

21 USC 355.

(f) Section 507 of such Act (21 U.S.C. 357) is further amended by adding at the end of such section the following new subsection:

"(h) In the case of a drug for which, on the day immediately preceding the effective date of this subsection, a prior approval of an application under section 505 had not been withdrawn under section 505(e), the initial issuance of regulations providing for certification or exemption of such drug under this section 507 shall, with respect to the conditions of use prescribed, recommended, or suggested in the labeling covered by such application, not be conditioned upon an affirmative finding of the efficacy of such drug. Any subsequent amendment or repeal of such regulations so as no longer to provide for such certification or exemption on the ground of a lack of efficacy of such drug for use under such conditions of use may be effected only on or after that effective date of clause (3) of the first sentence of section 505(e) which would be applicable to such drug under such conditions of use if such drug were subject to section 505(e), and then only if (1) such amendment or repeal is made in accordance with the procedure specified in subsection (f) of this section (except that such amendment or repeal may be initiated either by a proposal of the Secretary or by a petition of any interested person) and (2) the Secretary finds, on the basis of new information with respect to such drug evaluated together with the information before him when the application under section 505 became effective or was approved, that

there is a lack of substantial evidence (as defined in section 505(d)) that the drug has the effect it purports or is represented to have under such conditions of use."

RECORDS AND REPORTS AS TO EXPERIENCE ON ANTIBIOTICS

SEC. 106. (a) Section 507 of such Act (21 U.S.C. 357) is amended by adding at the end thereof the following new subsection:

59 Stat. 463.

"(g) (1) Every person engaged in manufacturing, compounding, or processing any drug within the purview of this section with respect to which a certificate or release has been issued pursuant to this section shall establish and maintain such records, and make such reports to the Secretary, of data relating to clinical experience and other data or information, received or otherwise obtained by such person with respect to such drug, as the Secretary may by general regulation, or by order with respect to such certification or release, prescribe on the basis of a finding that such records and reports are necessary in order to enable the Secretary to make, or to facilitate, a determination as to whether such certification or release should be rescinded or whether any regulation issued under this section should be amended or repealed: *Provided, however,* That regulations and orders issued under this subsection and under clause (3) of subsection (d) shall have due regard for the professional ethics of the medical profession and the interests of patients and shall provide, where the Secretary deems it to be appropriate, for the examination, upon request, by the persons to whom such regulations or orders are applicable, of similar information received or otherwise obtained by the Secretary.

"(2) Every person required under this section to maintain records, and every person having charge or custody thereof, shall, upon request of an officer or employee designated by the Secretary, permit such officer or employee at all reasonable times to have access to and copy and verify such records."

Access to records.

(b) Section 507(d) of such Act (21 U.S.C. 357(d)) is amended by adding at the end thereof the following new sentences: "Such regulations may, within the discretion of the Secretary, among other conditions relating to the protection of the public health, provide for conditioning the exemption under clause (3) upon—

59 Stat. 463.

Regulations pertaining to exemption.

"(1) the submission to the Secretary, before any clinical testing of a new drug is undertaken, of reports, by the manufacturer or the sponsor of the investigation of such drug, of preclinical tests (including tests on animals) of such drug adequate to justify the proposed clinical testing;

"(2) the manufacturer or the sponsor of the investigation of a new drug proposed to be distributed to investigators for clinical testing obtaining a signed agreement from each of such investigators that patients to whom the drug is administered will be under his personal supervision, or under the supervision of investigators responsible to him, and that he will not supply such drug to any other investigator, or to clinics, for administration to human beings; and

"(3) the establishment and maintenance of such records, and the making of such reports to the Secretary, by the manufacturer or the sponsor of the investigation of such drug, of data (including but not limited to analytical reports by investigators) obtained as the result of such investigational use of such drug, as the Secretary finds will enable him to evaluate the safety and effectiveness of such drug in the event of the filing of an application for certification or release pursuant to subsection (a).



Such regulations shall provide that such exemption shall be conditioned upon the manufacturer, or the sponsor of the investigation, requiring that experts using such drugs for investigational purposes certify to such manufacturer or sponsor that they will inform any human beings to whom such drugs, or any controls used in connection therewith, are being administered, or their representatives, that such drugs are being used for investigational purposes and will obtain the consent of such human beings or their representatives, except where they deem it not feasible or, in their professional judgment, contrary to the best interests of such human beings. Nothing in this subsection shall be construed to require any clinical investigator to submit directly to the Secretary reports on the investigational use of drugs."

(c) Section 301(e) of such Act (21 U.S.C. 331(e)), as amended by section 103(c) of this Act, is further amended by striking out "505 (i) or (j)" and inserting in lieu thereof "505 (i) or (j), or 507 (d) or (g)".

*Ante*, p. 784.  
[*Ante*, pp. 783,  
782, 787.]

#### EFFECTIVE DATES AND APPLICATION OF PART A

SEC. 107. (a) Except as otherwise provided in this section, the amendments made by the foregoing sections of this part A shall take effect on the date of enactment of this Act.

(b) The amendments made by sections 101, 103, 105, and 106 of this part A shall, with respect to any drug, take effect on the first day of the seventh calendar month following the month in which this Act is enacted.

(c) (1) As used in this subsection, the term "enactment date" means the date of enactment of this Act; and the term "basic Act" means the Federal Food, Drug, and Cosmetic Act.

(2) An application filed pursuant to section 505(b) of the basic Act which was "effective" within the meaning of that Act on the day immediately preceding the enactment date shall be deemed, as of the enactment date, to be an application "approved" by the Secretary within the meaning of the basic Act as amended by this Act.

(3) In the case of any drug with respect to which an application filed under section 505(b) of the basic Act is deemed to be an approved application on the enactment date by virtue of paragraph (2) of this subsection—

(A) the amendments made by this Act to section 201(p), and to subsections (b) and (d) of section 505, of the basic Act, insofar as such amendments relate to the effectiveness of drugs, shall not, so long as approval of such application is not withdrawn or suspended pursuant to section 505(e) of that Act, apply to such drug when intended solely for use under conditions prescribed, recommended, or suggested in labeling covered by such approved application, but shall apply to any changed use, or conditions of use, prescribed, recommended, or suggested in its labeling, including such conditions of use as are the subject of an amendment or supplement to such application pending on, or filed after, the enactment date; and

(B) clause (3) of the first sentence of section 505(e) of the basic Act, as amended by this Act, shall not apply to such drug when intended solely for use under conditions prescribed, recommended, or suggested in labeling covered by such approved application (except with respect to such use, or conditions of use, as are the subject of an amendment or supplement to such approved application, which amendment or supplement has been approved after the enactment date under section 505 of the basic Act as amended by this Act) until whichever of the following first

"Enactment  
date."  
"Basic Act,"  
52 Stat. 1040.  
21 USC 301.

52 Stat. 1052.  
21 USC 355.

*Ante*, p. 781.

*Ante*, p. 781.

*Ante*, p. 782.

occurs: (i) the expiration of the two-year period beginning with the enactment date; (ii) the effective date of an order under section 505(e) of the basic Act, other than clause (3) of the first sentence of such section 505(e), withdrawing or suspending the approval of such application.

*Ante*, p. 781.

(4) In the case of any drug which, on the day immediately preceding the enactment date, (A) was commercially used or sold in the United States, (B) was not a new drug as defined by section 201(p) of the basic Act as then in force, and (C) was not covered by an effective application under section 505 of that Act, the amendments to section 201(p) made by this Act shall not apply to such drug when intended solely for use under conditions prescribed, recommended, or suggested in labeling with respect to such drug on that day.

21 USC 321.

21 USC 355.

*Ante*, p. 781.

## PART B—STANDARDIZATION OF DRUG NAMES

### REVIEW AND DESIGNATION OF OFFICIAL NAMES

SEC. 111. (a) The Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.), as amended by this Act, is further amended by adding at the end of chapter V the following new section:

#### “AUTHORITY TO DESIGNATE OFFICIAL NAMES

“SEC. 508. (a) The Secretary may designate an official name for any drug if he determines that such action is necessary or desirable in the interest of usefulness and simplicity. Any official name designated under this section for any drug shall be the only official name of that drug used in any official compendium published after such name has been prescribed or for any other purpose of this Act. In no event, however, shall the Secretary establish an official name so as to infringe a valid trademark.

“(b) Within a reasonable time after the effective date of this section, and at such other times as he may deem necessary, the Secretary shall cause a review to be made of the official names by which drugs are identified in the official United States Pharmacopeia, the official Homoeopathic Pharmacopoeia of the United States, and the official National Formulary, and all supplements thereto, to determine whether revision of any of those names is necessary or desirable in the interest of usefulness and simplicity.

*Review of  
names.*

“(c) Whenever he determines after any such review that (1) any such official name is unduly complex or is not useful for any other reason, (2) two or more official names have been applied to a single drug, or to two or more drugs which are identical in chemical structure and pharmacological action and which are substantially identical in strength, quality, and purity, or (3) no official name has been applied to a medically useful drug, he shall transmit in writing to the compiler of each official compendium in which that drug or drugs are identified and recognized his request for the recommendation of a single official name for such drug or drugs which will have usefulness and simplicity. Whenever such a single official name has not been recommended within one hundred and eighty days after such request, or the Secretary determines that any name so recommended is not useful for any reason, he shall designate a single official name for such drug or drugs. Whenever he determines that the name so recommended is useful, he shall designate that name as the official name of such drug or drugs. Such designation shall be made as a regulation upon public notice and in accordance with the procedure set forth in section 4 of the Administrative Procedure Act (5 U.S.C. 1003).

60 Stat. 238.

“(d) After each such review, and at such other times as the Secretary may determine to be necessary or desirable, the Secretary shall cause to be compiled, published, and publicly distributed a list which shall list all revised official names of drugs designated under this section and shall contain such descriptive and explanatory matter as the Secretary may determine to be required for the effective use of those names.

“(e) Upon a request in writing by any compiler of an official compendium that the Secretary exercise the authority granted to him under section 508(a), he shall upon public notice and in accordance with the procedure set forth in section 4 of the Administrative Procedure Act (5 U.S.C. 1003) designate the official name of the drug for which the request is made.”

(b) This section shall take effect on the date of its enactment.

#### NAME TO BE USED ON DRUG LABEL

SEC. 112. (a) Section 502(e) of such Act (21 U.S.C. 352(e)) is amended by—

(1) inserting the subparagraph designation “(1)” after “(e)”;

(2) striking out the words “If it is a drug and is not designated solely by a name recognized in an official compendium unless its label bears (1) the common or usual name of the drug, if such there be; and (2), in case it is fabricated from two or more ingredients, the common or usual name of each active ingredient”, and inserting in lieu thereof “If it is a drug, unless (A) its label bears, to the exclusion of any other nonproprietary name (except the applicable systematic chemical name or the chemical formula), (i) the established name (as defined in subparagraph (2)) of the drug, if such there be, and (ii), in case it is fabricated from two or more ingredients, the established name and quantity of each active ingredient”;

(3) striking out the words “the name” and inserting in lieu thereof the words “the established name”;

(4) inserting therein, immediately after the colon following the words “contained therein”, the following: “*Provided*, That the requirement for stating the quantity of the active ingredients, other than the quantity of those specifically named in this paragraph, shall apply only to prescription drugs; and (B) for any prescription drug the established name of such drug or ingredient, as the case may be, on such label (and on any labeling on which a name for such drug or ingredient is used) is printed prominently and in type at least half as large as that used thereon for any proprietary name or designation for such drug or ingredient.”;

(5) striking out the words “clause (2) of this paragraph” in the proviso to such paragraph and inserting in lieu thereof “clause (A) (ii) or clause (B) of this subparagraph”; and

(6) adding at the end of such paragraph the following new subparagraph:

“(2) As used in this paragraph (e), the term ‘established name’, with respect to a drug or ingredient thereof, means (A) the applicable official name designated pursuant to section 508, or (B), if there is no such name and such drug, or such ingredient, is an article recognized in an official compendium, then the official title thereof in such compendium, or (C) if neither clause (A) nor clause (B) of this subparagraph applies, then the common or usual name, if any, of such drug or of such ingredient: *Provided further*, That where clause (B) of this subparagraph applies to an article recognized in the United States

60 Stat. 238.

52 Stat. 1050.

*Ante*, p. 789.

Pharmacopeia and in the Homoeopathic Pharmacopoeia under different official titles, the official title used in the United States Pharmacopeia shall apply unless it is labeled and offered for sale as a homoeopathic drug, in which case the official title used in the Homoeopathic Pharmacopoeia shall apply."

(b) Section 502(g) of such Act (21 U.S.C. 352(g)) is amended by inserting immediately before the period at the end thereof a colon and the following proviso: "*Provided further*, That, in the event of inconsistency between the requirements of this paragraph and those of paragraph (e) as to the name by which the drug or its ingredients shall be designated, the requirements of paragraph (e) shall prevail".

52 Stat. 1050.

(c) This section shall take effect on the first day of the seventh calendar month following the month in which this Act is enacted.

#### EXCLUSION OF COSMETICS

SEC. 113. Chapter V of the Federal Food, Drug, and Cosmetic Act, as amended by section 111 of this Act, is further amended by adding at the end thereof the following:

Ante, p. 789.

#### "NONAPPLICABILITY TO COSMETICS

"SEC. 509. This chapter, as amended by the Drug Amendments of 1962, shall not apply to any cosmetic unless such cosmetic is also a drug or device or component thereof."

#### INFORMATION TO PHYSICIANS

SEC. 114. (a) Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331), as amended by this Act, is further amended by adding at the end thereof the following new paragraph:

52 Stat. 1042.

"(o) In the case of a prescription drug distributed or offered for sale in interstate commerce, the failure of the manufacturer, packer, or distributor thereof to maintain for transmittal, or to transmit, to any practitioner licensed by applicable State law to administer such drug who makes written request for information as to such drug, true and correct copies of all printed matter which is required to be included in any package in which that drug is distributed or sold, or such other printed matter as is approved by the Secretary. Nothing in this paragraph shall be construed to exempt any person from any labeling requirement imposed by or under other provisions of this Act."

(b) This section shall take effect on the first day of the seventh calendar month following the month in which this Act is enacted.

### PART C—AMENDMENTS AS TO ADVERTISING

#### PRESCRIPTION DRUG ADVERTISEMENTS

SEC. 131. (a) Section 502 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352) is further amended by adding at the end thereof the following new paragraph:

52 Stat. 1050.

"(n) In the case of any prescription drug distributed or offered for sale in any State, unless the manufacturer, packer, or distributor thereof includes in all advertisements and other descriptive printed matter issued or caused to be issued by the manufacturer, packer, or distributor with respect to that drug a true statement of (1) the established name as defined in section 502(e), printed prominently and in type at least half as large as that used for any trade or brand name thereof, (2) the formula showing quantitatively each ingredient of such drug to the extent required for labels under section 502(e), and (3) such other information in brief summary relating to side effects,

Ante, p. 790.

70 Stat. 919.  
21 USC 371.

52 Stat. 114.

52 Stat. 1041.  
21 USC 321.

contraindications, and effectiveness as shall be required in regulations which shall be issued by the Secretary in accordance with the procedure specified in section 701(e) of this Act: *Provided*, That (A) except in extraordinary circumstances, no regulation issued under this paragraph shall require prior approval by the Secretary of the content of any advertisement, and (B) no advertisement of a prescription drug, published after the effective date of regulations issued under this paragraph applicable to advertisements of prescription drugs, shall, with respect to the matters specified in this paragraph or covered by such regulations, be subject to the provisions of sections 12 through 17 of the Federal Trade Commission Act, as amended (15 U.S.C. 52-57). This paragraph (n) shall not be applicable to any printed matter which the Secretary determines to be labeling as defined in section 201(m) of this Act."

(b) No drug which was being commercially distributed prior to the date of enactment of this Act shall be deemed to be misbranded under paragraph (n) of section 502 of the Federal Food, Drug, and Cosmetic Act, as added by this section, until the earlier of the following dates: (1) the first day of the seventh month following the month in which this Act is enacted; or (2) the effective date of regulations first issued under clause (3) of such paragraph (n) in accordance with the procedure specified in section 701(e) of the Federal Food, Drug, and Cosmetic Act.

## TITLE II—FACTORY INSPECTION AND EFFECT ON STATE LAWS

### FACTORY INSPECTION

67 Stat. 477.

SEC. 201. (a) Section 704(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374(a)) is amended to read as follows:

"(a) For purposes of enforcement of this Act, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or after such introduction, or to enter any vehicle being used to transport or hold such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials; containers, and labeling therein. In the case of any factory, warehouse, establishment, or consulting laboratory in which prescription drugs are manufactured, processed, packed, or held, the inspection shall extend to all things therein (including records, files, papers, processes, controls, and facilities) bearing on whether prescription drugs which are adulterated or misbranded within the meaning of this Act, or which may not be manufactured, introduced into interstate commerce, or sold, or offered for sale by reason of any provision of this Act, have been or are being manufactured, processed, packed, transported, or held in any such place, or otherwise bearing on violation of this Act. No inspection authorized for prescription drugs by the preceding sentence shall extend to (A) financial data, (B) sales data other than shipment data, (C) pricing data, (D) personnel data (other than data as to qualifications of technical and professional personnel performing functions subject to this Act), and (E) research data (other than data, relating to new drugs and antibiotic drugs, subject to reporting

and inspection under regulations lawfully issued pursuant to section 505 (i) or (j) or section 507 (d) or (g) of this Act, and data, relating to other drugs, which in the case of a new drug would be subject to reporting or inspection under lawful regulations issued pursuant to section 505 (j) of this Act). A separate notice shall be given for each such inspection, but a notice shall not be required for each entry made during the period covered by the inspection. Each such inspection shall be commenced and completed with reasonable promptness. The provisions of the second sentence of this subsection shall not apply to—

*Ante*, pp. 783,  
782, 787.

“(1) pharmacies which maintain establishments in conformance with any applicable local laws regulating the practice of pharmacy and medicine and which are regularly engaged in dispensing prescription drugs, upon prescriptions of practitioners licensed to administer such drugs to patients under the care of such practitioners in the course of their professional practice, and which do not, either through a subsidiary or otherwise, manufacture, prepare, propagate, compound, or process drugs for sale other than in the regular course of their business of dispensing or selling drugs at retail;

“(2) practitioners licensed by law to prescribe or administer drugs and who manufacture, prepare, propagate, compound, or process drugs solely for use in the course of their professional practice;

“(3) persons who manufacture, prepare, propagate, compound, or process drugs solely for use in research, teaching, or chemical analysis and not for sale;

“(4) such other classes of persons as the Secretary may by regulation exempt from the application of this section upon a finding that inspection as applied to such classes of persons in accordance with this section is not necessary for the protection of the public health.”

(b) Section 704(b) of such Act (21 U.S.C. 374(b)) is amended by inserting after “warehouse,” the words “consulting laboratory,”.

67 Stat. 477.

(c) Section 302(a) of such Act (21 U.S.C. 332(a)) is amended by striking out “(f),”.

52 Stat. 1043.

(d) Nothing in the amendments made by subsections (a) and (b) of this section shall be construed to negate or derogate from any authority of the Secretary existing prior to the enactment of this Act.

#### EFFECT ON STATE LAWS

SEC. 202. Nothing in the amendments made by this Act to the Federal Food, Drug, and Cosmetic Act shall be construed as invalidating any provision of State law which would be valid in the absence of such amendments unless there is a direct and positive conflict between such amendments and such provision of State law.

52 Stat. 1040.  
21 USC 301.

#### EFFECTIVE DATE

SEC. 203. The amendments made by this title shall take effect on the date of enactment of this Act.

### TITLE III—REGISTRATION OF DRUG ESTABLISHMENTS AND PATENT INFORMATION

#### FINDINGS AND DECLARATION

SEC. 301. The Congress hereby finds and declares that in order to make regulation of interstate commerce in drugs effective, it is necessary to provide for registration and inspection of all establishments in which drugs are manufactured, prepared, propagated, compounded,

or processed; that the products of all such establishments are likely to enter the channels of interstate commerce and directly affect such commerce; and that the regulation of interstate commerce in drugs without provision for registration and inspection of establishments that may be engaged only in intrastate commerce in such drugs would discriminate against and depress interstate commerce in such drugs, and adversely burden, obstruct, and affect such interstate commerce.

#### REGISTRATION OF PRODUCERS OF DRUGS

*Ante*, pp. 789, 791.

SEC. 302. Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by adding at the end thereof the following section:

#### "REGISTRATION OF PRODUCERS OF DRUGS

"SEC. 510. (a) As used in this section—

"(1) the term 'manufacture, preparation, propagation, compounding, or processing' shall include repackaging or otherwise changing the container, wrapper, or labeling of any drug package in furtherance of the distribution of the drug from the original place of manufacture to the person who makes final delivery or sale to the ultimate consumer;

"(2) the term 'name' shall include in the case of a partnership the name of each partner and, in the case of a corporation, the name of each corporate officer and director, and the State of incorporation.

"(b) On or before December 31 of each year every person who owns or operates any establishment in any State engaged in the manufacture, preparation, propagation, compounding, or processing of a drug or drugs shall register with the Secretary his name, places of business, and all such establishments.

"(c) Every person upon first engaging in the manufacture, preparation, propagation, compounding, or processing of a drug or drugs in any establishment which he owns or operates in any State shall immediately register with the Secretary his name, place of business, and such establishment.

"(d) Every person duly registered in accordance with the foregoing subsections of this section shall immediately register with the Secretary any additional establishment which he owns or operates in any State and in which he begins the manufacture, preparation, propagation, compounding, or processing of a drug or drugs.

"(e) The Secretary may assign a registration number to any person or any establishment registered in accordance with this section.

"(f) The Secretary shall make available for inspection, to any person so requesting, any registration filed pursuant to this section.

"(g) The foregoing subsections of this section shall not apply to—

"(1) pharmacies which maintain establishments in conformance with any applicable local laws regulating the practice of pharmacy and medicine and which are regularly engaged in dispensing prescription drugs, upon prescriptions of practitioners licensed to administer such drugs to patients under the care of such practitioners in the course of their professional practice, and which do not manufacture, prepare, propagate, compound, or process drugs for sale other than in the regular course of their business of dispensing or selling drugs at retail;

"(2) practitioners licensed by law to prescribe or administer drugs and who manufacture, prepare, propagate, compound, or process drugs solely for use in the course of their professional practice;

"(3) persons who manufacture, prepare, propagate, compound, or process drugs solely for use in research, teaching, or chemical analysis and not for sale;

"(4) such other classes of persons as the Secretary may by regulation exempt from the application of this section upon a finding that registration by such classes of persons in accordance with this section is not necessary for the protection of the public health.

"(h) Every establishment in any State registered with the Secretary pursuant to this section shall be subject to inspection pursuant to section 704 and shall be so inspected by one or more officers or employees duly designated by the Secretary at least once in the two-year period beginning with the date of registration of such establishment pursuant to this section and at least once in every successive two-year period thereafter.

67 Stat. 477;  
Ante, p. 792.  
21 USC 374.

"(i) Any establishment within any foreign country engaged in the manufacture, preparation, propagation, compounding, or processing of a drug or drugs shall be permitted to register under this section pursuant to regulations promulgated by the Secretary. Such regulations shall include provisions for registration of any such establishment upon condition that adequate and effective means are available, by arrangement with the government of such foreign country or otherwise, to enable the Secretary to determine from time to time whether drugs manufactured, prepared, propagated, compounded, or processed in such establishment, if imported or offered for import into the United States, shall be refused admission on any of the grounds set forth in section 801(a) of this Act."

Post, p. 796.

#### TRANSITIONAL PROVISIONS

SEC. 303. Any person who, on the day immediately preceding the date of enactment of this Act, owned or operated any establishment in any State (as defined in section 201 of the Federal Food, Drug, and Cosmetic Act as amended by this Act) engaged in the manufacture, preparation, propagation, compounding, or processing of a drug or drugs, shall, if he first registers in accordance with subsection (b) of section 510 of that Act (as added thereto by this Act) prior to the first day of the seventh calendar month following the month in which this Act is enacted, be deemed to have complied with that subsection for the calendar year 1962. Such registration, if made within such period and effected in 1963, shall also be deemed to be in compliance with such subsection for that calendar year.

Post, p. 796.

Ante, p. 794.

#### FAILURE TO REGISTER

SEC. 304. Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by adding at the end thereof the following new paragraph:

Ante, p. 791.

"(p) The failure to register as required by section 510."

#### DRUGS FROM NONREGISTERED ESTABLISHMENTS MISBRANDED

SEC. 305. Section 502 of such Act (21 U.S.C. 352) is amended by adding at the end thereof the following new paragraph:

Ante, p. 791.

"(o) If it is a drug and was manufactured, prepared, propagated, compounded, or processed in an establishment in any State not duly registered under section 510."



## SAMPLES OF IMPORTED DRUGS

52 Stat. 1058.

SEC. 306. Section 801(a) of such Act (21 U.S.C. 381(a)) is amended by inserting, after the first sentence thereof, the following new sentence: "The Secretary of Health, Education, and Welfare shall furnish to the Secretary of the Treasury a list of establishments registered pursuant to subsection (i) of section 510 and shall request that if any drugs manufactured, prepared, propagated, compounded, or processed in an establishment not so registered are imported or offered for import into the United States, samples of such drugs be delivered to the Secretary of Health, Education, and Welfare, with notice of such delivery to the owner or consignee, who may appear before the Secretary of Health, Education, and Welfare and have the right to introduce testimony."

Ante, p. 795.

## DEFINITIONS

52 Stat. 1041.

SEC. 307. (a) Section 201(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(a)) is amended to read as follows:

"(a) (1) The term 'State', except as used in the last sentence of section 702(a), means any State or Territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) The term 'Territory' means any Territory or possession of the United States, including the District of Columbia, and excluding the Commonwealth of Puerto Rico and the Canal Zone."

(b) The second sentence of section 702(a) of such Act (21 U.S.C. 372(a)) is amended by inserting before the words "a Territory" the words "the Commonwealth of Puerto Rico or".

## INFORMATION ON PATENTS FOR DRUGS

52 Stat. 1056.

SEC. 308. Section 702 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary is authorized and directed, upon request from the Commissioner of Patents, to furnish full and complete information with respect to such questions relating to drugs as the Commissioner may submit concerning any patent application. The Secretary is further authorized, upon receipt of any such request, to conduct or cause to be conducted, such research as may be required."

Approved October 10, 1962.

## Public Law 87-782

## AN ACT

October 10, 1962  
[S. 3396]

To amend section 511(h) of the Merchant Marine Act, 1936, as amended, in order to extend the time for commitment of construction reserve funds.

Merchant Marine  
Act, 1936, amend-  
ment.

Construction re-  
serve funds.  
75 Stat. 661.  
46 USC 1161.

Effective date.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the proviso at the end of section 511(h) of the Merchant Marine Act, 1936, as amended, is amended to read as follows: "*Provided*, That until January 1, 1963, in addition to the extensions hereinbefore permitted, further extensions may be granted ending not later than December 31, 1963."

SEC. 2. The amendment made by the first section of this Act shall take effect December 31, 1962, or on the date of enactment of this Act, whichever date first occurs.

Approved October 10, 1962.

## Public Law 87-783

## JOINT RESOLUTION

Granting consent of the Congress to a compact entered into between the State of Maryland and the Commonwealth of Virginia for the creation of the Potomac River Compact of 1958.

October 10, 1962  
[H. J. Res. 659]

Whereas the State of Maryland and the Commonwealth of Virginia have entered into a compact, known as the Potomac River Compact of 1958, by means of concurrent legislation for that purpose, being chapter 269 of the Acts of the General Assembly of Maryland of 1959 and being found in chapters 5 and 28 of the 1959 Extraordinary Session of the General Assembly of Virginia: Therefore be it

Potomac River  
Compact of 1958.  
Consent of Con-  
gress.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of the Congress, subject to the provisions and conditions of section 2 of this joint resolution, is given to the State of Maryland and the Commonwealth of Virginia for the Potomac River Compact of 1958 and for each and every part and article thereof: *Provided*, That nothing in this compact shall be construed as impairing or in any manner affecting any right or jurisdiction of the United States in or over the region which forms the subject of the compact or the power of Congress pursuant to the United States Constitution over interstate or foreign commerce. The compact reads as follows:

## “POTOMAC RIVER COMPACT OF 1958

## “PREAMBLE

“Whereas Maryland and Virginia are both vitally interested in conserving and improving the valuable fishery resources of the Tidewater portion of the Potomac River, and

“Whereas, certain provisions of the Compact of 1785 between Maryland and Virginia having become obsolete, Maryland and Virginia each recognizing that Maryland is the owner of the Potomac River bed and waters to the low water mark of the southern shore thereof, as laid out on the Mathews-Nelson survey of 1927, and that Virginia is the owner of the Potomac River bed and waters southerly from said low water mark as laid out, and that the citizens of Virginia have certain riparian rights along the southern shore of the river, as shown on said Mathews-Nelson survey, and, in common with the citizens of Maryland, the right of fishing in said river, Maryland and Virginia have agreed that the necessary conservation and improvement of the tidewater portion of the Potomac fishery resources can be best achieved by a Commission comprised of representatives of both Maryland and Virginia, charged with the establishment and maintenance of a program to conserve and improve these resources, and

“Whereas, at a meeting of the commissioners appointed by the Governors of the State of Maryland and the Commonwealth of Virginia, to-wit: Carlyle Barton, M. William Adelson, Stephen R. Collins, Edward S. Delaplaine and William J. McWilliams, Esquires, on the part of the State of Maryland, and Mills E. Godwin, Jr., Howard H. Adams, Robert Y. Button, John Warren Cooke and Edward E. Lane, Esquires, on the part of the Commonwealth of Virginia, at Mount Vernon, Virginia, on the twentieth of December, in the year one thousand nine hundred and fifty-eight, the following Potomac River Compact of 1958 between the Commonwealth of Virginia and the State of Maryland was mutually agreed to by the said Commissioners: Now, therefore, be it

*“Resolved* by the Commissioners appointed by the Governors of the State of Maryland and the Commonwealth of Virginia, meeting in joint session, that they do unanimously recommend to the said respective Governors that there be a new compact, to be designated as the “Potomac River Compact of 1958”, and that the said new compact be referred as promptly as possible to the Legislatures of the State of Maryland and the Commonwealth of Virginia for appropriate action, and to the end and after ratification and adoption by said Legislatures the same be submitted to the Congress of the United States for approval.

#### “ARTICLE I

##### “COMMISSION—MEMBERSHIP AND ORGANIZATION

“SECTION 1. COMMISSION CREATED.—The Potomac River Fisheries Commission, hereinafter designated as “Commission”, is hereby created.

“SEC. 2. MEMBERS.—The Commission shall consist of six members, three from Maryland and three from Virginia. The Maryland members shall be the members of the Tidewater Fisheries Commission of Maryland or its successor agency and the Virginia members shall be the members of the Virginia Fisheries Commission or its successor agency. If the membership of either of the respective State Commissions exceeds three, then the three Commission members from that State shall be selected by the Governor thereof from the members of the State Commission; and if the membership of either of the respective State Commissions is less than three, the three Commission members from that State shall be the member or members of the State Commission, and such additional person or persons who shall be appointed by the Governor as may be necessary to constitute a total of three Commissioners.

“SEC. 3. TERM, VACANCIES.—The term of Commissioners who are members of their respective State Commissions shall be coterminous with their term on their State Commission. The term of Commissioners who are not members of their State Commission shall be four years. Vacancies on the Commission shall be filled by appointment of the Governor of the State entitled to fill the vacancy, except that where the State Commission has three members, the person filling a vacancy on the State Commission shall ex officio become a member of the Commission.

“SEC. 4. CHAIRMAN.—The Chairman of the Commission shall alternate from year to year between the representatives of Maryland and Virginia. Subject to such alternation, the Chairman shall be elected by the Commissioners for a term of one year.

“SEC. 5. COMPENSATION, EXPENSES.—Commissioners shall be entitled to receive from the General Fund of the Commission compensation of twenty-five dollars (\$25.00) for each day or portion thereof spent in the performance of their duties, and reimbursement of reasonable expenses incident to the performance of their duties.

“SEC. 6. MEETINGS, QUORUM.—Commission meetings shall be held at least once each quarter, and at such other times as the Commission may determine.

“In order to constitute a quorum for the transaction of any business at least two of the three members from each State must be present and must vote on the business being transacted.

“SEC. 7. OFFICE AND EMPLOYEES.—The Commission shall establish and maintain an office at such locations as it may select, and may employ an Executive Secretary who shall serve at the pleasure of the Commission, and such other administrative, clerical, scientific, and legal personnel as it deems necessary. The powers, duties and com-

pensation of all employees shall be as prescribed by the Commission, and the employees shall not be subject to the provisions of Article 64A of the Annotated Code of Maryland nor to the provisions of the Virginia Personnel Act, as the same may be from time to time in effect. The Commission may extend to any employee or employees membership in the Virginia Supplemental Retirement System or the Maryland Employees' Retirement System, whichever is applicable, subject to the laws relating to each such retirement system.

## "ARTICLE II

### "JURISDICTIONAL BOUNDARIES

"The territory in which the Potomac River Fisheries Commission shall have jurisdiction shall be those waters of the Potomac River enclosed within the following described area:

"Beginning at the intersection of mean low water mark at Point Lookout and an established line running from Smiths Point to Point Lookout, marking Chesapeake Bay waters; thence following the mean low water line of the shore northwesterly across the respective mouths of all creeks to Gray Point at the westerly entrance into Rowley Bay; thence in a straight line northwesterly to the southerly extremity of Kitts Point; thence along the mean low water line to the southwesterly point of St. Inigoes Neck; thence in a straight line westerly to the most easterly point of St. Georges Island; thence following the mean low water line in a general northwesterly direction, across the respective mouths of all creeks and inlets to the southwesterly point of Huggins Point; thence in a straight line southwesterly to the eastern extremity of the sand bar known as Heron Island; thence northwesterly following the ridge of Heron Island Bar to its westerly extremity; thence southwesterly in a straight line to the most southerly point of Blakiston Island; thence in a straight line northwesterly to the southern extremity of Colton's Point; thence following the mean low water line westerly, excluding all creeks and inlets, to the point marking the southeasterly entrance into St. Catherine Sound; thence westerly in a straight line to the southern extremity of St. Catherine Island Sandbar; thence northwesterly, along the westerly edge of said sand bar continuing along the mean low water line of the southwesterly side of St. Catherine Island to the northwesterly point of said island; thence westerly in a straight line to Cobb Point Bar Lighthouse; thence northwesterly along the ridge of Cobb Point Sandbar to the southerly extremity of Cobb Point; thence following the mean low water line in general northwesterly and northerly directions across the respective mouths of all creeks and inlets to a point at the easterly entrance into Port Tobacco River, due east of Windmill Point; thence in a straight line westerly to Windmill Point; thence southwesterly following the mean low water line across the respective mouths of all creeks and inlets to Upper Cedar Point; thence southwesterly in a straight line across the mouth of Nanjemoy Creek to a point on shore at the village of Riverside; thence following the mean low water line, southwesterly, northwesterly and northerly across the respective mouths of all creeks and inlets to Smiths Point; thence northerly in a straight line to Liverpool Point; thence northerly in a straight line to Sandy Point; thence following the mean low water line northerly, across the respective mouths of all creeks and inlets to Moss Point; thence northerly in a straight line across Chicamuxen Creek to the southernmost point of Stump Neck; thence following the mean low water line northeasterly, across the respective mouths of all creeks and inlets, to a point at the southerly entrance into Mattawoman Creek; thence in a straight line northeasterly across the mouth of Mattawoman Creek to the south-

westerly point of Cornwallis Neck; thence following the mean low water line northeasterly, across the respective mouths of all creeks and inlets, to Chapman Point; thence in a straight line northeasterly to Pomonkey or Hillis Point; thence following the mean low water line in a northerly direction across the respective mouths of all creeks and inlets, to a point on Marshall Hall shore, due south of Ferry Point; thence northeasterly in a straight line to Bryan Point; thence northeasterly in a straight line to the northwest extremity of Mockley Point; thence northeasterly in a straight line to Hatton Point; thence northerly in a straight line to the southwesternmost point of Indian Queen Bluff; thence following the mean low water line northerly across the respective mouths of all creeks and inlets, to Rosier Bluff Point; thence in a straight line northerly to the intersection with the District of Columbia line at Fox Ferry Point; thence following the boundary line of the District of Columbia southwesterly to a point on the lower or southern shore of the Potomac River, said point being the intersection of the boundary line of the Commonwealth of Virginia with the boundary line of the District of Columbia; thence following the mean low water line of the Potomac River on the southern, or Virginia shore, as defined in the Black-Jenkins Award of 1877 and as laid out in the Mathews-Nelson Survey of 1927, beginning at the intersection of the Potomac River and the District of Columbia line at Jones Point and running to Smiths Point; and thence in a straight line across the mouth of the Potomac River on the established line from Smiths Point to Point Lookout, to the mean low water mark at Point Lookout, the place of beginning.

### "ARTICLE III

#### "COMMISSION POWERS AND DUTIES

"SECTION 1. OYSTER BARS.—The Commission shall make a survey of the oyster bars within its jurisdiction and may reseed and replant said oyster bars as may from time to time be necessary.

"SEC. 2. FISH AND SEAFOOD.—The Commission may by regulation prescribe the type, size and description of all species of finfish, crabs, oysters, clams and other shellfish which may be taken or caught, within its jurisdiction, the places where they may be taken or caught, and the manner of taking or catching.

"SEC. 3. RESEARCH.—The Commission shall maintain a program of research relating to the conservation and repletion of the fishery resources within its jurisdiction, and to that end may cooperate and contract with scientists and public and private scientific agencies engaged in similar work, and may purchase, construct, lease, borrow or otherwise acquire by any lawful method such property, structures, facilities, or equipment as it deems necessary.

"SEC. 4. LICENSES.—(a) The Commission shall issue such licenses as it may prescribe which shall thereupon be required for the taking of finfish, crabs, oysters, clams or other shellfish from the waters within the jurisdiction of the Commission, and for boats, vessels and equipment used for such taking. Recognizing that the right of fishing in the territory over which the Commission shall have jurisdiction is and shall be common to and equally enjoyed by the citizens of Virginia and Maryland, the Commission shall make no distinction between the citizens of Virginia or Maryland in any rule, regulation or the granting of any licenses, privileges, or rights under this compact.

"(b) Licenses for the taking of oysters and clams and the commercial taking of finfish and crabs within the jurisdiction of the Commission shall be granted only to citizens of Maryland or Virginia who

have resided in either or both states for at least twelve months immediately preceding the application for the license. Within six months after the effective date of this compact, the Commission shall adopt a schedule of licenses, the privileges granted thereby, and the fees therefor, which may be modified from time to time in the discretion of the Commission.

“(c) The licenses hereby authorized may be issued at such places, by such persons, and in accordance with such procedures as the Commission may determine.

“SEC. 5. EXPENDITURES.—The Commission is authorized to expend funds for the purposes of general administration, repletion of the fish and shellfish in the Potomac River, and the conservation and research programs authorized under this compact, subject to the limitations provided in this compact.

“SEC. 6. GRANTS, CONTRIBUTIONS, ETC.—The Commission is authorized to receive and accept (or to refuse) from any and all public and private sources such grants, contributions, appropriations, donations, and gifts as may be given to it, which shall be paid into and become part of the General Fund of the Commission, except where the donor instructs that it shall be used for a specific project, study, purpose, or program, in which event it shall be placed in a special account, which shall be administered under the same procedure as that prescribed for the General Fund.

“SEC. 7. COOPERATION OF STATE AGENCIES.—The Commission may call upon the resources and assistance of the Virginia Fisheries Laboratory, the Maryland Department of Research and Education, and all other agencies, institutions, and departments of Maryland and Virginia which shall cooperate fully with the Commission upon such request.

“SEC. 8. REGULATIONS.—The Commission shall have the power to make, adopt and publish such rules and regulations as may be necessary or desirable for the conduct of its meetings, such hearings as it may from time to time hold, and for the administration of its affairs.

“SEC. 9. INSPECTION TAX.—The Commission may impose an inspection tax, in an amount as fixed from time to time by the Commission, not exceeding 25¢ per bushel, upon all oysters caught within the limits of the Potomac River. The tax shall be paid by the buyer at the place in Maryland or Virginia where the oysters are unloaded from vessels and are to be shipped no further in bulk in vessel, to an agent of the Commission, or to such officer or employee of the Virginia Fisheries Commission or of the Maryland Department of Tidewater Fisheries, as may be designated by the Commission, and by him paid over to the Commission.

#### “ARTICLE IV

##### “COMMISSION REGULATIONS—PROCEDURE AND REVIEW

“SECTION 1. NOTICE, HEARING, VOTE.—No regulation shall be adopted by the Commission unless:

“(a) A public hearing is held thereon;

“(b) Prior to the hearing the Commission has given notice of the proposed regulation by publication thereof at least once a week for three successive weeks in at least one newspaper published, or having a general circulation in each county of Maryland and Virginia contiguous to the waters within the Commission's jurisdiction, the first such publication to be at least thirty days but not more than forty-five days prior to the date of the hearing;

“(c) A copy of the proposed regulation is mailed at least thirty days but not more than forty-five days prior to the hearing, to the clerk of the court of each county of Maryland and Virginia contiguous

to the waters within the Commission's jurisdiction, who shall post the same in a conspicuous place at or in the courthouse; and

"(d) The regulation is approved by at least four members of the Commission.

"SEC. 2. RECORDING, EFFECTIVE DATE.—(a) Regulations of the Commission shall be exempt from the provisions of Chapter 1.1 (§ 9-6.1 et seq.) of Title 9 of the Code of Virginia (1950 Edition, as amended from time to time), and of section 9 of Article 41 of the Annotated Code of Maryland (1957 Edition, as amended from time to time). Copies of Commission regulations shall be kept on public file and available for public reference in the offices of the Commission, the office of the clerk of court in each county of Maryland and Virginia contiguous to the waters within the Commission's jurisdiction, the office of the Virginia Division of Statutory Research and Drafting, the office of the Maryland Department of Legislative Reference, the office of the Virginia Fisheries Commission, and the office of the Maryland Department of Tidewater Fisheries.

"(b) No regulation of the Commission shall become effective until thirty (30) days after the date of its adoption, or such later date as may be fixed by the Commission.

"(c) Leasing, dredging or patent tonging shall be authorized by the Commission only if such authorization is granted by joint action of the Legislatures of Maryland and Virginia.

"SEC. 3. REVIEW.—Any person aggrieved by any regulation or order of the Commission may at any time file a petition for declaratory judgment with respect to the validity or construction thereof, in the circuit court of any county in Maryland or Virginia contiguous to the waters within the Commission's jurisdiction. A review of the final judgment of the circuit court may be appealed to the court of highest appellate jurisdiction of the state in accordance with the rules of procedure in such state.

"SEC. 4. REVISION BY LEGISLATIVE ACTION.—Regulations of the Commission may be amended, modified, or rescinded by joint enactment of the General Assembly of Maryland and the General Assembly of Virginia.

"SEC. 5. REVISION OF COMPACT.—At any time subsequent to the adoption of this compact the Governor or Legislature of either Maryland or Virginia may call for the appointment of a Commission to make further study and recommendations concerning revision and amendments to this compact, at which time the Governors of the respective states shall act forthwith in compliance with the request for the appointment of said Commission.

## "ARTICLE V

### "ENFORCEMENT OF LAWS AND REGULATIONS: PENALTIES

"SECTION 1. RESPONSIBILITY FOR ENFORCEMENT.—The regulations and orders of the Commission shall be enforced by the joint effort of the law enforcement agencies and officers of Maryland and Virginia.

"SEC. 2. PENALTIES.—The violation of any regulation of the Commission shall be a misdemeanor. Unless a lesser punishment is provided by the Commission, such violation shall be punishable by a fine not to exceed one thousand dollars (\$1,000.00) or confinement in a penal institution for not more than one (1) year, or both, in the discretion of the court, and any vessel, boat, or equipment used in the taking of finfish, crabs, oysters, clams, or other shellfish from the Potomac River in violation of any regulation of the Commission or of applicable laws may be confiscated by the court, upon the abandonment thereof or the conviction of the owner or operator thereof.

"SEC. 3. JURISDICTION OF COURT.—The officer making an arrest or preferring a charge for violation of a regulation of the Commission or an applicable state law respecting the waters within the Commission's jurisdiction shall take the alleged offender to a court of competent jurisdiction in either state, in a county adjacent to the portion of the Potomac River where the alleged offense occurred, which shall thereupon have jurisdiction over the offense.

"SEC. 4. DISPOSITION OF FINES AND FORFEITURES.—All fines imposed for violation of regulations of the Commission or applicable state laws respecting the waters within the Commission's jurisdiction shall be paid into the court in which the case is prosecuted, and accounted for under the laws applicable to that court. Any property confiscated under the provisions of this compact shall be turned over to the Commission, which may retain, use or dispose of it as it deems best.

## "ARTICLE VI

### "COMMISSION FINANCES

"SECTION 1. BUDGET.—The Commission shall approve and adopt a proposed annual budget showing estimated income, revenues, appropriations, and grants from all sources, and estimated necessary expenditures and shall send a copy thereof to the Governors of Maryland and Virginia.

"SEC. 2. APPROPRIATIONS.—The said Governors shall place in the proposed budget of their respective states for each year the sum of not less than fifty thousand dollars (\$50,000.00) for the expenses and the other purposes of the Commission for that year, except that none of the sum so appropriated shall be used for law enforcement purposes; and the General Assembly of each of the two states agrees to appropriate annually not less than this sum to the Commission.

"SEC. 3. GENERAL FUND.—(a) The General Fund shall consist of:

"(1) All income and revenue received from the issuance of licenses under this compact;

"(2) The proceeds of the disposition of property confiscated pursuant to the provisions of this compact;

"(3) The proceeds of the inspection tax upon oysters imposed pursuant to this compact; and

"(4) The funds appropriated to the Commission by the two States.

"(b) The General Fund of the Commission shall be kept in such bank or depository as the Commission shall from time to time select. The General Fund shall be audited annually by the Auditor of Public Accounts of Virginia and the State Auditor of Maryland acting jointly, and at such other times as the Commission may request.

## "ARTICLE VII

### "EFFECT ON EXISTING LAWS AND PRIOR COMPACT

"SECTION 1. EXISTING RIGHTS.—The rights, including the privilege of erecting and maintaining wharves and other improvements, of the citizens of each State along the shores of the Potomac River adjoining their lands shall be neither diminished, restricted, enlarged, increased nor otherwise altered by this compact, and the decisions of the courts construing that portion of Article VII of the Compact of 1785 relating to the rights of riparian owners shall be given full force and effect.

"SEC. 2. EXISTING LAWS.—The laws of the State of Maryland relating to finfish, crabs, oysters, and clams in the Potomac River, as set



forth in Article 66C of the Annotated Code of Maryland and as in effect on December 1, 1958, shall be and remain applicable in the Potomac River except to the extent changed, amended, or modified by regulations of the Commission adopted in accordance with this compact.

"SEC. 3. EXISTING LICENSES.—The rights and privileges of licensees to take and catch finfish, crabs, oysters, clams, and other shellfish in the Potomac River, which are in effect at the time this compact becomes effective, shall continue in force for a period of six months at which time every such license and every such right and privilege shall be abrogated.

#### "ARTICLE VIII

##### "EFFECT OF RATIFICATION

"These articles shall be laid before the Legislatures of Virginia and Maryland, and their approbation being obtained, shall be confirmed and ratified by a law of each State, never to be repealed or altered by either, without the consent of the other.

#### "ARTICLE IX

##### "EFFECTIVE DATE

"This compact, which takes the place of the Compact of 1785 between Maryland and Virginia, shall take effect at the expiration of sixty days after the completion of the last act legally necessary to make it operative, and thereupon the said Compact of 1785 shall no longer have any force or effect."

SEC. 2. (a) The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

(b) The right is hereby reserved to the Congress or any of its standing committees to require of the Potomac River Fisheries Commission the disclosure and furnishing of such information and data as is deemed appropriate by the Congress or any committee thereof having jurisdiction of the subject matter of this resolution.

Approved October 10, 1962.

### Public Law 87-784

#### AN ACT

To amend the Act directing the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada in order to extend for five years the time for selecting such lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada", approved March 6, 1958 (72 Stat. 31), is amended as follows:

(1) in section 2, strike out "five years" and insert in lieu thereof "ten years";

(2) in section 3, strike out "five-year" and insert in lieu thereof "ten-year"; and

(3) at the end of section 4(c) add: "The appraisal shall be of the fair market value of the lands as of the effective date of this Act."

Approved October 10, 1962.

October 10, 1962  
[S. 3089]

Colorado River  
Commission, Nev.  
Land convey-  
ance provisions,  
extension.

## Public Law 87-785

## AN ACT

To amend the Act of August 9, 1955, for the purpose of including the Southern Ute Indian Reservation among reservations excepted from the twenty-five year lease limitation.

October 10, 1962  
[H. R. 8113]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of section 1 of the Act of August 9, 1955 (69 Stat. 539), as amended (25 U.S.C. 415), is hereby further amended by deleting the words "and on" and inserting in lieu thereof the words, "the Southern Ute Reservation, and".

Indians.  
Southern Ute  
Reservation.  
73 Stat. 597.

Approved October 10, 1962.

## Public Law 87-786

## AN ACT

To amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus personal property to schools for the mentally retarded, schools for the physically handicapped, radio and television stations licensed by the Federal Communications Commission as educational radio or educational television stations, and public libraries.

October 10, 1962  
[H. R. 11378]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of paragraph (3) of subsection (j) of section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484 (j)) is amended (a) by striking out in clauses (A) and (B) the words "and universities" and inserting in lieu thereof, in each such clause, the phrase "universities, schools for the mentally retarded, schools for the physically handicapped, and radio and television stations licensed by the Federal Communications Commission as educational radio or educational television stations", and (b) by striking out the word "and" before "(B)" and by inserting immediately before the period at the end of such sentence the following: "and (C) public libraries".

Federal Property  
and Administrative  
Services Act of  
1949, amendment.  
70 Stat. 493.

Section 203(j) of such Act is further amended by inserting at the end thereof the following paragraph:

"(7) The term 'public library', as used in this subsection, means a library that serves free all residents of a community, district, State, or region, and receives its financial support in whole or in part from public funds."

"Public li-  
brary."

Approved October 10, 1962.

## Public Law 87-787

## AN ACT

To extend for two years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments.

October 10, 1962  
[H. R. 11594]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 703 of the Federal Property and Administrative Services Act of 1949 (69 Stat. 722) is amended by striking out the figures "1963", and inserting in lieu thereof the figures "1965".

74 Stat. 165.  
40 USC 523.

(b) Section 704 of such Act (69 Stat. 723) is amended by striking out the figures "1962", and inserting in lieu thereof the figures "1964".

40 USC 524.

Approved October 10, 1962.

## Public Law 87-788

October 10, 1962  
[H. R. 12688]

## AN ACT

To authorize the Secretary of Agriculture to encourage and assist the several States in carrying on a program of forestry research, and for other purposes.

Forestry.  
Research pro-  
grams, promotion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That it is hereby recognized that research in forestry is the driving force behind progress in developing and utilizing the resources of the Nation's forest and related rangelands. The production, protection, and utilization of the forest resources depend on strong technological advances and continuing development of the knowledge necessary to increase the efficiency of forestry practices and to extend the benefits that flow from forest and related rangelands. It is recognized that the total forestry research efforts of the several State colleges and universities and of the Federal Government are more fully effective if there is close coordination between such programs, and it is further recognized that forestry schools are especially vital in the training of research workers in forestry.

Cooperation  
with States.

SEC. 2. In order to promote research in forestry, the Secretary of Agriculture is hereby authorized to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of forestry research.

7 USC 301-308.  
69 Stat. 671.  
7 USC 361a-  
361i.

Such assistance shall be in accordance with plans to be agreed upon in advance by the Secretary and (a) land-grant colleges or agricultural experiment stations established under the Morrill Act of July 2, 1862 (12 Stat. 503), as amended, and the Hatch Act of March 2, 1887 (24 Stat. 440), as amended, and (b) other State-supported colleges and universities offering graduate training in the sciences basic to forestry and having a forestry school; however, an appropriate State representative designated by the State's Governor shall, in any agreement drawn up with the Secretary of Agriculture for the purposes of this Act, certify those eligible institutions of the State which will qualify for assistance and shall determine the proportionate amounts of assistance to be extended these certified institutions.

Appropriation.

SEC. 3. To enable the Secretary to carry out the provisions of this Act there are hereby authorized to be appropriated such sums as the Congress may from time to time determine to be necessary but not exceeding in any one fiscal year one-half the amount appropriated for Federal forestry research conducted directly by the Department of Agriculture for the fiscal year preceding the year in which the budget is presented for such appropriation. Funds appropriated and made available to the States under this Act shall be in addition to allotments or grants that may be made under other authorizations.

State-certified  
institutions,  
matching funds.

SEC. 4. The amount paid by the Federal Government to any State-certified institutions eligible for assistance under this Act shall not exceed during any fiscal year the amount available to and budgeted for expenditure by such college or university during the same fiscal year for forestry research from non-Federal sources. The Secretary is authorized to make such expenditures on the certificate of the appropriate official of the college or university having charge of the forestry research for which the expenditures as herein provided are to be made. If any or all of the colleges or universities certified for receipt of funds under this Act fails to make available and budget for expenditure for forestry research in any fiscal year sums at least as much as the amount for which it would be eligible for such year under this Act, the difference between the Federal funds available and the funds made available and budgeted for expenditure by the college or university shall be reapportioned by the Secretary to other eligible colleges or

universities of the same State if there be any which qualify therefor and, if there be none, the Secretary shall reapportion such differences to the qualifying colleges and universities of other States participating in the forestry research program.

SEC. 5. Apportionments among participating States and administrative expenses in connection with the program shall be determined by the Secretary after consultation with a national advisory board of not less than seven officials of the forestry schools of the State-certified eligible colleges and universities chosen by a majority of such schools. In making such apportionments consideration shall be given to pertinent factors including, but not limited to, areas of non-Federal commercial forest land and volume of timber cut annually from growing stock.

Apportionments  
among States.

SEC. 6. The Secretary is authorized and directed to prescribe such rules and regulations as may be necessary to carry out the provisions of this Act and to furnish such advice and assistance through a cooperative State forestry research unit in the Department of Agriculture as will best promote the purposes of this Act. The Secretary is further authorized and directed to appoint an advisory committee which shall be constituted to give equal representation to Federal-State agencies concerned with developing and utilizing the Nation's forest resources and to the forest industries. The Secretary and the national advisory board shall seek at least once each year the counsel and advice of the advisory committee to accomplish effectively the purposes of this Act.

Appointment of  
advisory commit-  
tee.

SEC. 7. The term "forestry research" as used in this Act shall include investigations relating to: (1) Reforestation and management of land for the production of crops of timber and other related products of the forest; (2) management of forest and related watershed lands to improve conditions of waterflow and to protect resources against floods and erosion; (3) management of forest and related rangeland for production of forage for domestic livestock and game and improvement of food and habitat for wildlife; (4) management of forest lands for outdoor recreation; (5) protection of forest land and resources against fire, insects, diseases, or other destructive agents; (6) utilization of wood and other forest products; (7) development of sound policies for the management of forest lands and the harvesting and marketing of forest products; and (8) such other studies as may be necessary to obtain the fullest and most effective use of forest resources.

"Forestry re-  
search."

SEC. 8. The term "State" as used in this Act shall include Puerto Rico.

"State."

Approved October 10, 1962.

## Public Law 87-789

### AN ACT

To provide for the establishment of the Fort Saint Marks National Historic Site.

October 10, 1962  
[H. R. 12164]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may accept on behalf of the United States a donation of the site of Fort Saint Marks, located at Saint Marks, Florida, together with all improvements thereon and appurtenances thereto, and such surrounding or adjacent land as is reasonably necessary to carry out the purposes of this Act. When so acquired, such property shall be designated as the Fort Saint Marks National Historic Site, and shall be set aside as a public national memorial.*

Fort Saint Marks  
National Historic  
Site, Fla.  
Establishment.

SEC. 2. In order to provide for the proper development of the Fort Saint Marks National Historic Site, the Secretary of the Interior shall erect thereon and maintain as parts thereof the following—

(1) a museum, which shall contain items of historical interest pertaining to Fort Saint Marks;

(2) such markers, structures, and landscaping as may in his judgment be appropriate.

SEC. 3. The Secretary of the Interior, acting through the National Park Service, shall administer, protect, develop, and maintain the Fort Saint Marks National Historic Site subject to the provisions of this Act and in accordance with the provisions of the Act of August 25, 1916, entitled "An Act to establish a National Park Service, and for other purposes" (16 U.S.C. 1 and others), as amended and supplemented, and the provisions of the Act of August 21, 1935, entitled "An Act to provide for the preservation of historic American sites, buildings, and antiquities of national significance, and for other purposes" (16 U.S.C. 461-467), as amended.

SEC. 4. There is authorized to be appropriated not to exceed \$100,000 for the purposes of this Act.

Approved October 10, 1962.

## Public Law 87-790

October 10, 1962  
[H. R. 12180]

### AN ACT

To extend for a temporary period the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of the first section of the Act entitled "An Act relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes", approved June 30, 1955 (Public Law 126, Eighty-fourth Congress; 69 Stat. 242), as amended, is amended by striking out "July 1, 1962" and inserting in lieu thereof "July 1, 1964".

SEC. 2. (a) Section 201 of the Tariff Act of 1930 (19 U.S.C. 1201) is amended by adding at the end thereof the following new paragraph: "PAR. 1829. Monofilament gill nets for use in fish sampling, under such rules and regulations as the Secretary of the Treasury may prescribe."

(b) The amendment made by subsection (a) shall be effective with respect to articles entered or withdrawn from warehouse for consumption on and after the day following the date of enactment of this Act.

SEC. 3. (a) Section 809(d)(6) of the Internal Revenue Code of 1954 (relating to deduction for group life, accident, and health insurance) is amended—

(1) by striking out "group life insurance contracts and group accident and health insurance contracts" and inserting in lieu thereof "accident and health insurance contracts (other than those to which paragraph (5) applies) and group life insurance contracts"; and

(2) by striking out the heading and inserting in lieu thereof

"(6) CERTAIN ACCIDENT AND HEALTH INSURANCE AND GROUP LIFE INSURANCE.—".

(b) Section 815(c)(2)(C) of such Code (relating to policyholders surplus account) is amended by striking out "group life and group

Duty-free entries  
and tax relief.  
Personal and  
household effects.

74 Stat. 289.  
50 USC app. 801  
note.

Monofilament  
gill fish nets.  
46 Stat. 672;  
Ante, pp. 72, 404.

Effective date.

Accident and  
health insurance  
contracts.  
73 Stat. 122.  
26 USC 809.

26 USC 815.

accident and health insurance contracts” and inserting in lieu thereof “accident and health insurance and group life insurance contracts”.

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1962.

Effective date.

Approved October 10, 1962.

## Public Law 87-791

### AN ACT

To authorize reimbursement to appropriations of the United States Secret Service of moneys expended for the purchase of counterfeits.

October 10, 1962  
[H. R. 12451]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 18, United States Code, section 3056, as amended, is hereby further amended by adding at the end thereof the following sentence: “Moneys expended from Secret Service appropriations for the purchase of counterfeits and subsequently recovered shall be reimbursed to the appropriation current at the time of deposit.”

U.S. Secret  
Service.  
65 Stat. 122.

Approved October 10, 1962.

## Public Law 87-792

### AN ACT

To encourage the establishment of voluntary pension plans by self-employed individuals.

October 10, 1962  
[H. R. 10]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the “Self-Employed Individuals Tax Retirement Act of 1962”.

Self-Employed  
Individuals Tax  
Retirement Act of  
1962.

### SEC. 2. QUALIFICATION OF PLANS.

Section 401 of the Internal Revenue Code of 1954 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended—

(1) by adding at the end of paragraph (5) of subsection (a) the following new sentence: “For purposes of this paragraph and paragraph (10), the total compensation of an individual who is an employee within the meaning of subsection (c) (1) means such individual’s earned income (as defined in subsection (c) (2)), and the basic or regular rate of compensation of such an individual shall be determined, under regulations prescribed by the Secretary or his delegate, with respect to that portion of his earned income which bears the same ratio to his earned income as the basic or regular compensation of the employees under the plan bears to the total compensation of such employees.”;

68A Stat. 135.  
26 USC 401.

Post, p. 811.  
Post, p. 811.

(2) by adding at the end of subsection (a) the following new paragraphs:

“(7) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that, upon its termination or upon complete discontinuance of contributions under the plan, the rights of all employees to benefits

accrued to the date of such termination or discontinuance, to the extent then funded, or the amounts credited to the employees' accounts are nonforfeitable. This paragraph shall not apply to benefits or contributions which, under provisions of the plan adopted pursuant to regulations prescribed by the Secretary or his delegate to preclude the discrimination prohibited by paragraph (4), may not be used for designated employees in the event of early termination of the plan.

"(8) A trust forming part of a pension plan shall not constitute a qualified trust under this section unless the plan provides that forfeitures must not be applied to increase the benefits any employee would otherwise receive under the plan.

"(9) In the case of a plan which provides contributions or benefits for employees some or all of whom are employees within the meaning of subsection (c) (1), a trust forming part of such plan shall not constitute a qualified trust under this section unless, under the plan, the entire interest of each employee—

"(A) either will be distributed to him not later than his taxable year in which he attains the age of 70½ years, or, in the case of an employee other than an owner-employee (as defined in subsection (c) (3)), in which he retires, whichever is the later, or

"(B) will be distributed, commencing not later than such taxable year, (i) in accordance with regulations prescribed by the Secretary or his delegate, over the life of such employee or over the lives of such employee and his spouse, or (ii) in accordance with such regulations, over a period not extending beyond the life expectancy of such employee or the life expectancy of such employee and his spouse.

A trust shall not be disqualified under this paragraph by reason of distributions under a designation, prior to the date of the enactment of this paragraph, by any employee under the plan of which such trust is a part, of a method of distribution which does not meet the terms of the preceding sentence.

"(10) In the case of a plan which provides contributions or benefits for employees some or all of whom are owner-employees (as defined in subsection (c) (3))—

"(A) paragraph (3) and the first and second sentences of paragraph (5) shall not apply, but—

"(i) such plan shall not be considered discriminatory within the meaning of paragraph (4) merely because the contributions or benefits of or on behalf of employees under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, and

"(ii) such plan shall not be considered discriminatory within the meaning of paragraph (4) solely because under the plan contributions described in subsection (e) (3) (A) which are in excess of the amounts which may be deducted under section 404 (determined without regard to section 404 (a) (10)) for the taxable year may be made on behalf of any owner-employee; and

*Post*, p. 812.

*Post*, p. 812.

26 USC 401.

*Post*, p. 818.

26 USC 404.

*Post*, p. 820.

“(B) a trust forming a part of such plan shall constitute a qualified trust under this section only if the requirements in subsection (d) are also met.”; and

*Post*, p. 812.

(3) by redesignating subsection (c) as subsection (h) and inserting after subsection (b) the following new subsections:

“(c) **DEFINITIONS AND RULES RELATING TO SELF-EMPLOYED INDIVIDUALS AND OWNER-EMPLOYEES.**—For purposes of this section—

“(1) **EMPLOYEE.**—The term ‘employee’ includes, for any taxable year, an individual who has earned income (as defined in paragraph (2)) for the taxable year. To the extent provided in regulations prescribed by the Secretary or his delegate, such term also includes, for any taxable year—

“(A) an individual who would be an employee within the meaning of the preceding sentence but for the fact that the trade or business carried on by such individual did not have net profits for the taxable year, and

“(B) an individual who has been an employee within the meaning of the preceding sentence for any prior taxable year.

“(2) **EARNED INCOME.**—

“(A) **IN GENERAL.**—The term ‘earned income’ means the net earnings from self-employment (as defined in section 1402(a)) to the extent that such net earnings constitute earned income (as defined in section 911(b) but determined with the application of subparagraph (B)), but such net earnings shall be determined—

26 USC 1402.

26 USC 911.

“(i) without regard to paragraphs (4) and (5) of section 1402(c),

“(ii) in the case of any individual who is treated as an employee under sections 3121(d)(3)(A), (C), or (D), without regard to paragraph (2) of section 1402(c), and

26 USC 3121.

“(iii) without regard to items which are not included in gross income for purposes of this chapter, and the deductions properly allocable to or chargeable against such items.

For purposes of this subparagraph, sections 911(b) and 1402, as in effect for a taxable year ending on December 31, 1962, and subparagraph (B), as in effect for a taxable year beginning on January 1, 1963, shall be treated as having been in effect for all taxable years ending before such date.

“(B) **EARNED INCOME WHEN BOTH PERSONAL SERVICES AND CAPITAL ARE MATERIAL INCOME-PRODUCING FACTORS.**—In applying section 911(b) for purposes of subparagraph (A), in the case of an individual who is an employee within the meaning of paragraph (1) and who is engaged in a trade or business in which both personal services and capital are material income-producing factors and with respect to which the individual actually renders personal services on a full-time, or substantially full-time, basis, so much of his share of the net profits of such trade or business as does not exceed \$2,500 shall be considered as earned income. In the case of any such individual who is engaged in more than one trade or business with respect to which he actually renders substantial personal services, if with respect to all such trades or businesses

26 USC 911.



he actually renders personal services on a full-time, or substantially full-time, basis, there shall be considered as earned income with respect to the trades or businesses in which both personal services and capital are material income-producing factors—

“(i) so much of his share of the net profits of such trades or businesses as does not exceed \$2,500, reduced by

“(ii) his share of the net profits of any trade or business in which only personal services is a material income-producing factor.

The preceding sentences shall not be construed to reduce the share of net profits of any trade or business which under the second sentence of section 911(b) would be considered as earned income of any such individual.

“(3) OWNER-EMPLOYEE.—The term ‘owner-employee’ means an employee who—

“(A) owns the entire interest in an unincorporated trade or business, or

“(B) in the case of a partnership, is a partner who owns more than 10 percent of either the capital interest or the profits interest in such partnership.

To the extent provided in regulations prescribed by the Secretary or his delegate, such term also means an individual who has been an owner-employee within the meaning of the preceding sentence.

“(4) EMPLOYER.—An individual who owns the entire interest in an unincorporated trade or business shall be treated as his own employer. A partnership shall be treated as the employer of each partner who is an employee within the meaning of paragraph (1).

“(5) CONTRIBUTIONS ON BEHALF OF OWNER-EMPLOYEES.—The term ‘contribution on behalf of an owner-employee’ includes, except as the context otherwise requires, a contribution under a plan—

“(A) by the employer for an owner-employee, and

“(B) by an owner-employee as an employee.

“(d) ADDITIONAL REQUIREMENTS FOR QUALIFICATION OF TRUSTS AND PLANS BENEFITING OWNER-EMPLOYEES.—A trust forming part of a pension or profit-sharing plan which provides contributions or benefits for employees some or all of whom are owner-employees shall constitute a qualified trust under this section only if, in addition to meeting the requirements of subsection (a), the following requirements of this subsection are met by the trust and by the plan of which such trust is a part:

“(1) In the case of a trust which is created on or after the date of the enactment of this subsection, or which was created before such date but is not exempt from tax under section 501(a) as an organization described in subsection (a) on the day before such date, the trustee is a bank, but a person (including the employer) other than a bank may be granted, under the trust instrument, the power to control the investment of the trust funds either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including

26 USC 401.

26 USC 501.

reinvestments, disposals, and exchanges). This paragraph shall not apply to a trust created or organized outside the United States before the date of the enactment of this subsection if, under section 402(c), it is treated as exempt from tax under section 501(a) on the day before such date; or, to the extent provided under regulations prescribed by the Secretary or his delegate, to a trust which uses annuity, endowment, or life insurance contracts of a life insurance company exclusively to fund the benefits prescribed by the trust, if the life insurance company supplies annually such information about trust transactions affecting owner-employees as the Secretary or his delegate shall by forms or regulations prescribe. For purposes of this paragraph, the term 'bank' means a bank as defined in section 581, a corporation which under the laws of the State of its incorporation is subject to supervision and examination by the commissioner of banking or other officer of such State in charge of the administration of the banking laws of such State, and, in the case of a trust created or organized outside the United States, a bank or trust company, wherever incorporated, exercising fiduciary powers and subject to supervision and examination by governmental authority.

26 USC 402.

26 USC 581.

"(2) Under the plan—

"(A) the employees' rights to or derived from the contributions under the plan are nonforfeitable at the time the contributions are paid to or under the plan; and

"(B) in the case of a profit-sharing plan, there is a definite formula for determining the contributions to be made by the employer on behalf of employees (other than owner-employees).

Subparagraph (A) shall not apply to contributions which, under provisions of the plan adopted pursuant to regulations prescribed by the Secretary or his delegate to preclude the discrimination prohibited by subsection (a)(4), may not be used to provide benefits for designated employees in the event of early termination of the plan.

26 USC 401.

"(3) The plan benefits each employee having a period of employment of 3 years or more. For purposes of the preceding sentence, the term 'employee' does not include any employee whose customary employment is for not more than 20 hours in any one week or is for not more than 5 months in any calendar year.

"(4) Under the plan—

"(A) contributions or benefits are not provided for any owner-employee unless such owner-employee has consented to being included under the plan; and

"(B) no benefits may be paid to any owner-employee, except in the case of his becoming disabled (within the meaning of section 213(g)(3)), prior to his attaining the age of 59½ years.

72 Stat. 1614.  
26 USC 213.

"(5) The plan does not permit—

"(A) contributions to be made by the employer on behalf of any owner-employee in excess of the amounts which may be

68A Stat. 138;  
*Post*, p. 820.  
 26 USC 404.

deducted under section 404 (determined without regard to section 404(a)(10)) for the taxable year;

"(B) in the case of a plan which provides contributions or benefits only for owner-employees, contributions to be made on behalf of any owner-employee in excess of the amounts which may be deducted under section 404 (determined without regard to section 404(a)(10)) for the taxable year; and

"(C) if a distribution under the plan is made to any employee and if any portion of such distribution is an amount described in section 72(m)(5)(A)(i), contributions to be made on behalf of such employee for the 5 taxable years succeeding the taxable year in which such distribution is made.

*Post*, p. 823.

Subparagraphs (A) and (B) shall not apply to any contribution which is not considered to be an excess contribution (as defined in subsection (e)(1)) by reason of the application of subsection (e)(3).

*Post*, p. 815.

*Post*, p. 817.

"(6) Except as provided in this paragraph, the plan meets the requirements of subsection (a)(4) without taking into account for any purpose contributions or benefits under chapter 2 (relating to tax on self-employment income), chapter 21 (relating to Federal Insurance Contributions Act), title II of the Social Security Act, as amended, or any other Federal or State law. If—

"(A) of the contributions deductible under section 404 (determined without regard to section 404(a)(10)), not more than one-third is deductible by reason of contributions by the employer on behalf of owner-employees, and

"(B) taxes paid by the owner-employees under chapter 2 (relating to tax on self-employment income), and the taxes which would be payable under such chapter 2 by the owner-employees but for paragraphs (4) and (5) of section 1402(c), are taken into account as contributions by the employer on behalf of such owner-employees,

26 USC 401.

26 USC 1401-  
 1403.

26 USC 3101-  
 3126.

42 USC 401 et  
 seq.

26 USC 1402.

26 USC 3111.

then taxes paid under section 3111 (relating to tax on employers) with respect to an employee may, for purposes of subsection (a)(4), be taken into account as contributions by the employer for such employee under the plan.

"(7) Under the plan, if an owner-employee dies before his entire interest has been distributed to him, or if distribution has been commenced in accordance with subsection (a)(9)(B) to his surviving spouse and such surviving spouse dies before his entire interest has been distributed to such surviving spouse, his entire interest (or the remaining part of such interest if distribution thereof has commenced) will, within 5 years after his death (or the death of his surviving spouse), be distributed, or applied to the purchase of an immediate annuity for his beneficiary or beneficiaries (or the beneficiary or beneficiaries of his surviving spouse) which will be payable for the life of such beneficiary or beneficiaries (or for a term certain not extending beyond the life expectancy of such beneficiary or beneficiaries) and which will be immediately distributed to such beneficiary or beneficiaries. The preceding sentence shall not apply if distribution of the interest of an owner-employee has commenced and such distribution is for a term certain over a period permitted under subsection (a)(9)(B)(ii).

*Ante*, p. 810.

"(8) Under the plan—

"(A) any contribution which is an excess contribution, together with the income attributable to such excess contribution, is (unless subsection (e)(2)(E) applies) to be repaid

*Post*, p. 817.

to the owner-employee on whose behalf such excess contribution is made;

“(B) if for any taxable year the plan does not, by reason of subsection (e) (2) (A), meet (for purposes of section 404) the requirements of this subsection with respect to an owner-employee, the income for the taxable year attributable to the interest of such owner-employee under the plan is to be paid to such owner-employee; and

*Post*, p. 816.

“(C) the entire interest of an owner-employee is to be repaid to him when required by the provisions of subsection (e) (2) (E).

*Post*, p. 817.

“(9) (A) If the plan provides contributions or benefits for an owner-employee who controls, or for two or more owner-employees who together control, the trade or business with respect to which the plan is established, and who also control as an owner-employee or as owner-employees one or more other trades or businesses, such plan and the plans established with respect to such other trades or businesses, when coalesced, constitute a single plan which meets the requirements of subsection (a) (including paragraph (10) thereof) and of this subsection with respect to the employees of all such trades or businesses (including the trade or business with respect to which the plan intended to qualify under this section is established).

68A Stat. 134;  
*Ante*, p. 810.  
26 USC 401.

“(B) For purposes of subparagraph (A), an owner-employee, or two or more owner-employees, shall be considered to control a trade or business if such owner-employee, or such two or more owner-employees together—

“(i) own the entire interest in an unincorporated trade or business, or

“(ii) in the case of a partnership, own more than 50 percent of either the capital interest or the profits interest in such partnership.

For purposes of the preceding sentence, an owner-employee, or two or more owner-employees, shall be treated as owning any interest in a partnership which is owned, directly or indirectly, by a partnership which such owner-employee, or such two or more owner-employees, are considered to control within the meaning of the preceding sentence.

“(10) The plan does not provide contributions or benefits for any owner-employee who controls (within the meaning of paragraph (9) (B)), or for two or more owner-employees who together control, as an owner-employee or as owner-employees, any other trade or business, unless the employees of each trade or business which such owner-employee or such owner-employees control are included under a plan which meets the requirements of subsection (a) (including paragraph (10) thereof) and of this subsection, and provides contributions and benefits for employees which are not less favorable than contributions and benefits provided for owner-employees under the plan.

“(11) Under the plan, contributions on behalf of any owner-employee may be made only with respect to the earned income of such owner-employee which is derived from the trade or business with respect to which such plan is established.

“(e) EXCESS CONTRIBUTIONS ON BEHALF OF OWNER-EMPLOYEES.—

“(1) EXCESS CONTRIBUTION DEFINED.—For purposes of this section, the term ‘excess contribution’ means, except as provided in paragraph (3)—

“(A) if, in the taxable year, contributions are made under the plan only on behalf of owner-employees, the amount of

68A Stat. 138;  
*Post.*, p. 820.  
 26 USC 404.

any contribution made on behalf of any owner-employee which (without regard to this subsection) is not deductible under section 404 (determined without regard to section 404 (a) (10)) for the taxable year; or

“(B) if, in the taxable year, contributions are made under the plan on behalf of employees other than owner-employees—

“(i) the amount of any contribution made by the employer on behalf of any owner-employee which (without regard to this subsection) is not deductible under section 404 (determined without regard to section 404(a) (10)) for the taxable year;

“(ii) the amount of any contribution made by any owner-employee (as an employee) at a rate which exceeds the rate of contributions permitted to be made by employees other than owner-employees;

“(iii) the amount of any contribution made by any owner-employee (as an employee) which exceeds the lesser of \$2,500 or 10 percent of the earned income for such taxable year derived by such owner-employee from the trade or business with respect to which the plan is established; and

“(iv) in the case of any individual on whose behalf contributions are made under more than one plan as an owner-employee, the amount of any contribution made by such owner-employee (as an employee) under all such plans which exceeds \$2,500; and

“(C) the amount of any contribution made on behalf of an owner-employee in any taxable year for which, under paragraph (2) (A) or (E), the plan does not (for purposes of section 404) meet the requirements of subsection (d) with respect to such owner-employee.

*Infra.*

For purposes of this subsection, the amount of any contribution which is allocable (determined in accordance with regulations prescribed by the Secretary or his delegate) to the purchase of life, accident, health, or other insurance shall not be taken into account.

“(2) EFFECT OF EXCESS CONTRIBUTION.—

“(A) IN GENERAL.—If an excess contribution (other than an excess contribution to which subparagraph (E) applies) is made on behalf of an owner-employee in any taxable year, the plan with respect to which such excess contribution is made shall, except as provided in subparagraphs (C) and (D), be considered, for purposes of section 404, as not meeting the requirements of subsection (d) with respect to such owner-employee for the taxable year and for all succeeding taxable years.

“(B) INCLUSION OF AMOUNTS IN GROSS INCOME OF OWNER-EMPLOYEES.—For any taxable year for which any plan does not meet the requirements of subsection (d) with respect to an owner-employee by reason of subparagraph (A), the gross income of such owner-employee shall, for purposes of this chapter, include the amount of net income for such taxable year attributable to the interest of such owner-employee under such plan.

“(C) REPAYMENT WITHIN PRESCRIBED PERIOD.—Subparagraph (A) shall not apply to an excess contribution with respect to any taxable year, if, on or before the close of the 6-month period beginning on the day on which the Secretary or his delegate sends notice (by certified or registered mail)

to the person to whom such excess contribution was paid of the amount of such excess contribution, the amount of such excess contribution, and the net income attributable thereto, is repaid to the owner-employee on whose behalf such excess contribution was made. If the excess contribution is an excess contribution as defined in paragraph (1) (A) or (B) (i), or is an excess contribution as defined in paragraph (1) (C) with respect to which a deduction has been claimed under section 404, the notice required by the preceding sentence shall not be mailed prior to the time that the amount of the tax under this chapter of such owner-employee for the taxable year in which such excess contribution was made has been finally determined.

26 USC 404.

“(D) REPAYMENT AFTER PRESCRIBED PERIOD.—If an excess contribution, together with the net income attributable thereto, is not repaid within the 6-month period referred to in subparagraph (C), subparagraph (A) shall not apply to an excess contribution with respect to any taxable year beginning with the taxable year in which the person to whom such excess contribution was paid repays the amount of such excess contribution to the owner-employee on whose behalf such excess contribution was made, and pays to such owner-employee the amount of net income attributable to the interest of such owner-employee which, under subparagraph (B), has been included in the gross income of such owner-employee for any prior taxable year.

“(E) SPECIAL RULE IF EXCESS CONTRIBUTION WAS WILLFULLY MADE.—If an excess contribution made on behalf of an owner-employee is determined to have been willfully made, then—

“(i) subparagraphs (A), (B), (C), and (D) shall not apply with respect to such excess contribution;

“(ii) there shall be distributed to the owner-employee on whose behalf such excess contribution was willfully made his entire interest in all plans with respect to which he is an owner-employee; and

“(iii) no plan shall, for purposes of section 404, be considered as meeting the requirements of subsection (d) with respect to such owner-employee for the taxable year in which it is determined that such excess contribution was willfully made and for the 5 taxable years following such taxable year.

“(F) STATUTE OF LIMITATIONS.—In any case in which subparagraph (A) applies, the period for assessing any deficiency arising by reason of—

“(i) the disallowance of any deduction under section 404 on account of a plan not meeting the requirements of subsection (d) with respect to the owner-employee on whose behalf an excess contribution was made, or

“(ii) the inclusion, under subparagraph (B), in gross income of such owner-employee of income attributable to the interest of such owner-employee under a plan, for the taxable year in which such excess contribution was made or for any succeeding taxable year shall not expire prior to one year after the close of the 6-month period referred to in subparagraph (C).

“(3) CONTRIBUTIONS FOR PREMIUMS ON ANNUITY, ETC., CONTRACTS.—A contribution by the employer on behalf of an owner-employee shall not be considered to be an excess contribution within the meaning of paragraph (1), if—

Ante, p. 815.

"(A) under the plan such contribution is required to be applied (directly or through a trustee) to pay premiums or other consideration for one or more annuity, endowment, or life insurance contracts on the life of such owner-employee issued under the plan,

"(B) the amount of such contribution exceeds the amount deductible under section 404 (determined without regard to section 404(a)(10)) with respect to contributions made by the employer on behalf of such owner-employee under the plan, and

"(C) the amount of such contribution does not exceed the average of the amounts which were deductible under section 404 (determined without regard to section 404(a)(10)) with respect to contributions made by the employer on behalf of such owner-employee under the plan (or which would have been deductible under such section if such section had been in effect) for the first 3 taxable years (i) preceding the year in which the last such annuity, endowment, or life insurance contract was issued under the plan and (ii) in which such owner-employee derived earned income from the trade or business with respect to which the plan is established, or for so many of such taxable years as such owner-employee was engaged in such trade or business and derived earned income therefrom.

In the case of any individual on whose behalf contributions described in subparagraph (A) are made under more than one plan as an owner-employee during any taxable year, the preceding sentence shall not apply if the amount of such contributions under all such plans for such taxable year exceeds \$2,500. Any contribution which is not considered to be an excess contribution by reason of the application of this paragraph shall, for purposes of subparagraphs (B) (ii), (iii), and (iv) of paragraph (1), be taken into account as a contribution made by such owner-employee as an employee to the extent that the amount of such contribution is not deductible under section 404 (determined without regard to section 404(a)(10)) for the taxable year, but only for the purpose of applying such subparagraphs to other contributions made by such owner-employee as an employee.

"(f) CERTAIN CUSTODIAL ACCOUNTS.—

"(1) TREATMENT AS QUALIFIED TRUST.—For purposes of this title, a custodial account shall be treated as a qualified trust under this section, if—

"(A) such custodial account would, except for the fact that it is not a trust, constitute a qualified trust under this section;

"(B) the custodian is a bank (as defined in subsection (d)(1));

"(C) the investment of the funds in such account (including all earnings) is to be made—

"(i) solely in regulated investment company stock with respect to which an employee is the beneficial owner, or

"(ii) solely in annuity, endowment, or life insurance contracts issued by an insurance company;

"(D) the shareholder of record of any such stock described in subparagraph (C) (i) is the custodian or its nominee; and

"(E) the contracts described in subparagraph (C) (ii) are held by the custodian until distributed under the plan.

For purposes of this title, in the case of a custodial account treated as a qualified trust under this section by reason of the preceding

68A Stat. 138;  
Post, p. 820.  
26 USC 404.

Ante, p. 816.

Ante, p. 812.

sentence, the custodian of such account shall be treated as the trustee thereof.

“(2) DEFINITION.—For purposes of paragraph (1), the term ‘regulated investment company’ means a domestic corporation which—

“(A) is a regulated investment company within the meaning of section 851(a), and

26 USC 851.

“(B) issues only redeemable stock.

“(g) ANNUITY DEFINED.—For purposes of this section and sections 402, 403, and 404, the term ‘annuity’ includes a face-amount certificate, as defined in section 2(a)(15) of the Investment Company Act of 1940 (15 U.S.C., sec. 80a-2); but does not include any contract or certificate issued after December 31, 1962, which is transferable, if any person other than the trustee of a trust described in section 401(a) which is exempt from tax under section 501(a) is the owner of such contract or certificate.”

26 USC 402, 403, 404.

54 Stat. 790.

26 USC 401, 501.

### SEC. 3. DEDUCTIBILITY OF CONTRIBUTIONS TO PLANS.

(a) INCLUSION OF SELF-EMPLOYED INDIVIDUALS.—Section 404(a) of the Internal Revenue Code of 1954 (relating to the deductibility of contributions to pension, annuity, profit-sharing, or stock bonus plans or plans of deferred compensation) is amended—

(1) by striking out in paragraph (2) “and (6),” and inserting in lieu thereof “(6), (7), and (8), and, if applicable, the requirements of section 401(a)(9) and (10) and of section 401(d) (other than paragraph (1)),”; and

Ante, pp. 810-812.

(2) by adding after paragraph (7) the following new paragraphs:

“(8) SELF-EMPLOYED INDIVIDUALS.—In the case of a plan included in paragraph (1), (2), or (3) which provides contributions or benefits for employees some or all of whom are employees within the meaning of section 401(c)(1), for purposes of this section—

“(A) the term ‘employee’ includes an individual who is an employee within the meaning of section 401(c)(1), and the employer of such individual is the person treated as his employer under section 401(c)(4);

“(B) the term ‘earned income’ has the meaning assigned to it by section 401(c)(2);

“(C) the contributions to such plan on behalf of an individual who is an employee within the meaning of section 401(c)(1) shall be considered to satisfy the conditions of section 162 or 212 to the extent that such contributions do not exceed the earned income of such individual derived from the trade or business with respect to which such plan is established, and to the extent that such contributions are not allocable (determined in accordance with regulations prescribed by the Secretary or his delegate) to the purchase of life, accident, health, or other insurance; and

26 USC 162, 212.

“(D) any reference to compensation shall, in the case of an individual who is an employee within the meaning of section 401(c)(1), be considered to be a reference to the earned income of such individual derived from the trade or business with respect to which the plan is established.

“(9) PLANS BENEFITING SELF-EMPLOYED INDIVIDUALS.—In the case of a plan included in paragraph (1), (2), or (3) which provides contributions or benefits for employees some or all of whom are employees within the meaning of section 401(c)(1)—

“(A) the limitations provided by paragraphs (1), (2), (3), and (7) on the amounts deductible for any taxable year shall



*Ante*, p. 811.

be computed, with respect to contributions on behalf of employees (other than employees within the meaning of section 401(c)(1)), as if such employees were the only employees for whom contributions and benefits are provided under the plan;

“(B) the limitations provided by paragraphs (1), (2), (3), and (7) on the amounts deductible for any taxable year shall be computed, with respect to contributions on behalf of employees within the meaning of section 401(c)(1)—

“(i) as if such employees were the only employees for whom contributions and benefits are provided under the plan, and

“(ii) without regard to paragraph (1)(D), the second and third sentences of paragraph (3), and the second sentence of paragraph (7); and

“(C) the amounts deductible under paragraphs (1), (2), (3), and (7), with respect to contributions on behalf of any employee within the meaning of section 401(c)(1), shall not exceed the applicable limitation provided in subsection (e).

*Infra*.

“(10) SPECIAL LIMITATION ON AMOUNT ALLOWED AS DEDUCTION FOR SELF-EMPLOYED INDIVIDUALS.—Notwithstanding any other provision of this section, the amount allowable as a deduction under paragraphs (1), (2), (3), and (7) in any taxable year with respect to contributions made on behalf of an individual who is an employee within the meaning of section 401(c)(1) shall be an amount equal to one-half of the contributions made on behalf of such individual in such taxable year which are deductible under such paragraphs (determined with the application of paragraph (9) and of subsection (e) but without regard to this paragraph). For purposes of section 401, the amount which may be deducted, or the amount deductible, under this section with respect to contributions made on behalf of such individual shall be determined without regard to the preceding sentence.”

26 USC 401.

(b) LIMITATIONS ON DEDUCTIBLE CONTRIBUTIONS ON BEHALF OF SELF-EMPLOYED INDIVIDUALS.—Section 404 of the Internal Revenue Code of 1954 (relating to the deductibility of contributions to pension, annuity, profit-sharing, or stock bonus plans or plans of deferred compensation) is amended by adding after subsection (d) the following new subsections:

26 USC 404.

“(e) SPECIAL LIMITATIONS FOR SELF-EMPLOYED INDIVIDUALS.—

“(1) IN GENERAL.—In the case of a plan included in subsection (a) (1), (2), or (3), which provides contributions or benefits for employees some or all of whom are employees within the meaning of section 401(c)(1), the amounts deductible under subsection (a) (determined without regard to paragraph (10) thereof) in any taxable year with respect to contributions on behalf of any employee within the meaning of section 401(c)(1) shall, subject to the provisions of paragraph (2), not exceed \$2,500, or 10 percent of the earned income derived by such employee from the trade or business with respect to which the plan is established, whichever is the lesser.

“(2) CONTRIBUTIONS MADE UNDER MORE THAN ONE PLAN.—

“(A) OVERALL LIMITATION.—In any taxable year in which amounts are deductible with respect to contributions under two or more plans on behalf of an individual who is an employee within the meaning of section 401(c)(1) with respect to such plans, the aggregate amount deductible for such taxable year under all such plans with respect to contributions on behalf of such employee (determined without regard to

subsection (a) (10)) shall not exceed \$2,500, or 10 percent of the earned income derived by such employee from the trades or businesses with respect to which the plans are established, whichever is the lesser.

“(B) ALLOCATION OF AMOUNTS DEDUCTIBLE.—In any case in which the amounts deductible under subsection (a) (with the application of the limitations of this subsection) with respect to contributions made on behalf of an employee within the meaning of section 401(c) (1) under two or more plans are, by reason of subparagraph (A), less than the amounts deductible under such subsection determined without regard to such subparagraph, the amount deductible under subsection (a) (determined without regard to paragraph (10) thereof) with respect to such contributions under each such plan shall be determined in accordance with regulations prescribed by the Secretary or his delegate.

*Ante*, p. 811.

“(3) CONTRIBUTIONS ALLOCABLE TO INSURANCE PROTECTION.—For purposes of this subsection, contributions which are allocable (determined under regulations prescribed by the Secretary or his delegate) to the purchase of life, accident, health, or other insurance shall not be taken into account.

“(f) CERTAIN LOAN REPAYMENTS CONSIDERED AS CONTRIBUTIONS.—For purposes of this section, any amount paid, directly or indirectly, by an owner-employee (within the meaning of section 401(c) (3)) in repayment of any loan which under section 72(m) (4) (B) was treated as an amount received under a contract purchased by a trust described in section 401(a) which is exempt from tax under section 501(a) or purchased as a part of a plan described in section 403(a) shall be treated as a contribution to which this section applies on behalf of such owner-employee to such trust or to or under such plan.”

*Ante*, p. 812.

*Post*, p. 823.

26 USC 401,  
501, 403.

#### SEC. 4. TAXABILITY OF DISTRIBUTIONS.

(a) EMPLOYEES' ANNUITIES.—Section 72(d) (2) of the Internal Revenue Code of 1954 (relating to employees' annuities) is amended to read as follows:

26 USC 72.

“(2) SPECIAL RULES FOR APPLICATION OF PARAGRAPH (1).—For purposes of paragraph (1)—

“(A) if the employee died before any amount was received as an annuity under the contract, the words ‘receivable by the employee’ shall be read as ‘receivable by a beneficiary of the employee’; and

“(B) any contribution made with respect to the contract while the employee is an employee within the meaning of section 401(c) (1) which is not allowed as a deduction under section 404 shall be treated as consideration for the contract contributed by the employee.”

26 USC 404.

(b) SPECIAL RULES RELATING TO SELF-EMPLOYED INDIVIDUALS AND OWNER-EMPLOYEES.—Section 72 of the Internal Revenue Code of 1954 (relating to annuities, etc.) is amended by redesignating subsection (m) as subsection (o) and by inserting after subsection (l) the following new subsections:

26 USC 72.

“(m) SPECIAL RULES APPLICABLE TO EMPLOYEE ANNUITIES AND DISTRIBUTIONS UNDER EMPLOYEE PLANS.—

“(1) CERTAIN AMOUNTS RECEIVED BEFORE ANNUITY STARTING DATE.—Any amounts received under an annuity, endowment, or life insurance contract before the annuity starting date which are not received as an annuity (within the meaning of subsection (e) (2)) shall be included in the recipient's gross income for the taxable year in which received to the extent that—

“(A) such amounts, plus all amounts theretofore received under the contract and includible in gross income under this paragraph, do not exceed

26 USC 404.

“(B) the aggregate premiums or other consideration paid for the contract while the employee was an owner-employee which were allowed as deductions under section 404 for the taxable year and all prior taxable years.

Any such amounts so received which are not includible in gross income under this paragraph shall be subject to the provisions of subsection (e).

26 USC 72.

“(2) COMPUTATION OF CONSIDERATION PAID BY THE EMPLOYEE.—

In computing—

“(A) the aggregate amount of premiums or other consideration paid for the contract for purposes of subsection (c) (1) (A) (relating to the investment in the contract),

“(B) the consideration for the contract contributed by the employee for purposes of subsection (d) (1) (relating to employee's contributions recoverable in 3 years), and

“(C) the aggregate premiums or other consideration paid for purposes of subsection (e) (1) (B) (relating to certain amounts not received as an annuity),

any amount allowed as a deduction with respect to the contract under section 404 which was paid while the employee was an employee within the meaning of section 401(c) (1) shall be treated as consideration contributed by the employer, and there shall not be taken into account any portion of the premiums or other consideration for the contract paid while the employee was an owner-employee which is properly allocable (as determined under regulations prescribed by the Secretary or his delegate) to the cost of life, accident, health, or other insurance.

*Ante*, p. 811.

“(3) LIFE INSURANCE CONTRACTS.—

“(A) This paragraph shall apply to any life insurance contract—

“(i) purchased as a part of a plan described in section 403(a), or

26 USC 403.

“(ii) purchased by a trust described in section 401(a) which is exempt from tax under section 501(a) if the proceeds of such contract are payable directly or indirectly to a participant in such trust or to a beneficiary of such participant.

26 USC 401.

26 USC 501.

“(B) Any contribution to a plan described in subparagraph (A) (i) or a trust described in subparagraph (A) (ii) which is allowed as a deduction under section 404, and any income of a trust described in subparagraph (A) (ii), which is determined in accordance with regulations prescribed by the Secretary or his delegate to have been applied to purchase the life insurance protection under a contract described in subparagraph (A), is includible in the gross income of the participant for the taxable year when so applied.

“(C) In the case of the death of an individual insured under a contract described in subparagraph (A), an amount equal to the cash surrender value of the contract immediately before the death of the insured shall be treated as a payment under such plan or a distribution by such trust, and the excess of the amount payable by reason of the death of the insured over such cash surrender value shall not be includible in gross income under this section and shall be treated as provided in section 101.

26 USC 101.

“(4) AMOUNTS CONSTRUCTIVELY RECEIVED.—

“(A) ASSIGNMENTS OR PLEDGES.—If during any taxable year an owner-employee assigns (or agrees to assign) or pledges (or agrees to pledge) any portion of his interest in a trust described in section 401(a) which is exempt from tax under section 501(a) or any portion of the value of a contract purchased as part of a plan described in section 403(a), such portion shall be treated as having been received by such owner-employee as a distribution from such trust or as an amount received under the contract.

26 USC 401,  
501, 403.

“(B) LOANS ON CONTRACTS.—If during any taxable year, an owner-employee receives, directly or indirectly, any amount from any insurance company as a loan under a contract purchased by a trust described in section 401(a) which is exempt from tax under section 501(a) or purchased as part of a plan described in section 403(a), and issued by such insurance company, such amount shall be treated as an amount received under the contract.

“(5) PENALTIES APPLICABLE TO CERTAIN AMOUNTS RECEIVED BY OWNER-EMPLOYEES.—

“(A) This paragraph shall apply—

“(i) to amounts (other than any amount received by an individual in his capacity as a policyholder of an annuity, endowment, or life insurance contract which is in the nature of a dividend or similar distribution) which are received from a qualified trust described in section 401(a) or under a plan described in section 403(a) and which are received by an individual, who is, or has been, an owner-employee, before such individual attains the age of 59½ years, for any reason other than the individual's becoming disabled (within the meaning of section 213(g)(3)), but only to the extent that such amounts are attributable to contributions paid on behalf of such individual (whether or not paid by him) while he was an owner-employee,

72 Stat. 1614.  
26 USC 213.

“(ii) to amounts which are received from a qualified trust described in section 401(a) or under a plan described in section 403(a) at any time by an individual who is, or has been, an owner-employee, or by the successor of such individual, but only to the extent that such amounts are determined, under regulations prescribed by the Secretary or his delegate, to exceed the benefits provided for such individual under the plan formula, and

“(iii) to amounts which are received, by an individual who is, or has been, an owner-employee, by reason of the distribution under the provisions of section 401(e)(2)(E) of his entire interest in all qualified trusts described in section 401(a) and in all plans described in section 403(a).

*Ante*, p. 817.

“(B) (i) If the aggregate of the amounts to which this paragraph applies received by any person in his taxable year equals or exceeds \$2,500, the increase in his tax for the taxable year in which such amounts are received and attributable to such amounts shall not be less than 110 percent of the aggregate increase in taxes, for the taxable year and the 4 immediately preceding taxable years, which would have resulted if such amounts had been included in such person's gross income ratably over such taxable years.

26 USC 404.

“(ii) If deductions have been allowed under section 404 for contributions paid on behalf of the individual while he is an owner-employee for a number of prior taxable years less than 4, clause (i) shall be applied by taking into account a number of taxable years immediately preceding the taxable year in which the amount was so received equal to such lesser number.

“(C) If subparagraph (B) does not apply to a person for the taxable year, the increase in tax of such person for the taxable year attributable to the amounts to which this paragraph applies shall be 110 percent of such increase (computed without regard to this subparagraph).

26 USC 402,  
403.

“(D) Subparagraph (A)(ii) of this paragraph shall not apply to any amount to which section 402(a)(2) or 403(a)(2) applies.

*Post*, p. 825.

“(E) For special rules for computation of taxable income for taxable years to which this paragraph applies, see subsection (n)(3).

*Ante*, p. 812.

“(6) OWNER-EMPLOYEE DEFINED.—For purposes of this subsection, the term ‘owner-employee’ has the meaning assigned to it by section 401(c)(3).

“(n) TREATMENT OF CERTAIN DISTRIBUTIONS WITH RESPECT TO CONTRIBUTIONS BY SELF-EMPLOYED INDIVIDUALS.—

“(1) APPLICATION OF SUBSECTION.—

26 USC 401.

26 USC 501.

“(A) DISTRIBUTIONS BY EMPLOYEES’ TRUST.—Subject to the provisions of subparagraph (C), this subsection shall apply to amounts distributed to a distributee, in the case of an employees’ trust described in section 401(a) which is exempt from tax under section 501(a), if the total distributions payable to the distributee with respect to an employee are paid to the distributee within one taxable year of the distributee—

“(i) on account of the employee’s death,

“(ii) after the employee has attained the age of 59½ years, or

72 Stat. 1614.  
26 USC 213.

“(iii) after the employee has become disabled (within the meaning of section 213(g)(3)).

“(B) ANNUITY PLANS.—Subject to the provisions of subparagraph (C), this subsection shall apply to amounts paid to a payee, in the case of an annuity plan described in section 403(a), if the total amounts payable to the payee with respect to an employee are paid to the payee within one taxable year of the payee—

“(i) on account of the employee’s death,

“(ii) after the employee has attained the age of 59½ years, or

“(iii) after the employee has become disabled (within the meaning of section 213(g)(3)).

“(C) LIMITATIONS AND EXCEPTIONS.—This subsection shall apply—

“(i) only with respect to so much of any distribution or payment to which (without regard to this subparagraph) subparagraph (A) or (B) applies as is attributable to contributions made on behalf of an employee while he was an employee within the meaning of section 401(c)(1), and

*Ante*, p. 811.

“(ii) if the recipient is the employee on whose behalf such contributions were made, only if contributions which were allowed as a deduction under section 404 have been made on behalf of such employee while he was an employee within the meaning of section 401(c)(1) for

5 or more taxable years prior to the taxable year in which the total distributions payable or total amounts payable, as the case may be, are paid.

This subsection shall not apply to amounts described in clauses (ii) and (iii) of subparagraph (A) of subsection (m) (5) (but, in the case of amounts described in clause (ii) of such subparagraph, only to the extent that subsection (m) (5) applies to such amounts).

*Ante*, p. 823.

“(2) **LIMITATION OF TAX.**—In any case to which this subsection applies, the tax attributable to the amounts to which this subsection applies for the taxable year in which such amounts are received shall not exceed whichever of the following is the greater:

“(A) 5 times the increase in tax which would result from the inclusion in gross income of the recipient of 20 percent of so much of the amount so received as is includible in gross income, or

“(B) 5 times the increase in tax which would result if the taxable income of the recipient for such taxable year equaled 20 percent of the amount of the taxable income of the recipient for such taxable year determined under paragraph (3) (A).

“(3) **DETERMINATION OF TAXABLE INCOME.**—Notwithstanding section 63 (relating to definition of taxable income), for purposes only of computing the tax under this chapter attributable to amounts to which this subsection or subsection (m) (5) applies and which are includible in gross income—

26 USC 63.

“(A) the taxable income of the recipient for the taxable year of receipt shall be treated as being not less than the amount by which (i) the aggregate of such amounts so includible in gross income exceeds (ii) the amount of the deductions allowed for such taxable year under section 151 (relating to deductions for personal exemptions); and

26 USC 151.

“(B) in making ratable inclusion computations under paragraph (5) (B) of subsection (m), the taxable income of the recipient for each taxable year involved in such ratable inclusion shall be treated as being not less than the amount required by such paragraph (5) (B) to be treated as includible in gross income for such taxable year.

In any case in which the preceding sentence results in an increase in taxable income for any taxable year, the resulting increase in the taxes imposed by section 1 or 3 for such taxable year shall not be reduced by any credit under part IV of subchapter A (other than section 31 thereof) which, but for this sentence, would be allowable.”

26 USC 1, 3.

26 USC 31.

(c) **CAPITAL GAINS TREATMENT OF CERTAIN EMPLOYEES' TRUST DISTRIBUTIONS.**—Section 402(a) (2) of the Internal Revenue Code of 1954 (relating to capital gains treatment for certain distributions) is amended by adding at the end thereof the following new sentence: “This paragraph shall not apply to distributions paid to any distributee to the extent such distributions are attributable to contributions made on behalf of the employee while he was an employee within the meaning of section 401(c) (1).”

*Ante*, p. 811.

(d) **CAPITAL GAINS TREATMENT OF CERTAIN EMPLOYEES' ANNUITY PAYMENTS.**—Section 403(a) of the Internal Revenue Code of 1954 (relating to taxability of a beneficiary under a qualified annuity plan) is amended—

26 USC 403.

(1) by striking out in paragraph (2) (A) (i) “which meets the requirements of section 401(a) (3), (4), (5), and (6)” and inserting in lieu thereof “described in paragraph (1)”;

(2) by adding at the end of paragraph (2) (A) the following new sentence: "This subparagraph shall not apply to amounts paid to any payee to the extent such amounts are attributable to contributions made on behalf of the employee while he was an employee within the meaning of section 401(c) (1)."; and

*Ante*, p. 811.

(3) by adding after paragraph (2) the following new paragraph:

"(3) **SELF-EMPLOYED INDIVIDUALS.**—For purposes of this subsection, the term 'employee' includes an individual who is an employee within the meaning of section 401(c) (1), and the employer of such individual is the person treated as his employer under section 401(c) (4)."

#### **SEC. 5. PLANS FOR PURCHASE OF UNITED STATES BONDS.**

(a) **QUALIFIED BOND PURCHASE PLANS.**—Part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954 (relating to deferred compensation, etc.) is amended by adding at the end thereof the following new section:

26 USC 401-404.

##### **"SEC. 405. QUALIFIED BOND PURCHASE PLANS.**

"(a) **REQUIREMENTS FOR QUALIFICATION.**—A plan of an employer for the purchase for and distribution to his employees or their beneficiaries of United States bonds described in subsection (b) shall constitute a qualified bond purchase plan under this section if—

26 USC 401.

*Ante*, pp. 810-812.

"(1) the plan meets the requirements of section 401(a) (3), (4), (5), (6), (7), and (8) and, if applicable, the requirements of section 401(a) (9) and (10) and of section 401(d) (other than paragraphs (1), (5) (B), and (8)); and

"(2) contributions under the plan are used solely to purchase for employees or their beneficiaries United States bonds described in subsection (b).

"(b) **BONDS TO WHICH APPLICABLE.**—

40 Stat. 288.

31 USC 774.

"(1) **CHARACTERISTICS OF BONDS.**—This section shall apply only to a bond issued under the Second Liberty Bond Act, as amended, which by its terms, or by regulations prescribed by the Secretary under such Act—

"(A) provides for payment of interest, or investment yield, only upon redemption;

"(B) may be purchased only in the name of an individual;

"(C) ceases to bear interest, or provide investment yield, not later than 5 years after the death of the individual in whose name it is purchased;

"(D) may be redeemed before the death of the individual in whose name it is purchased only if such individual—

"(i) has attained the age of 59½ years, or

"(ii) has become disabled (within the meaning of section 213(g) (3)); and

"(E) is nontransferable.

72 Stat. 1614.

26 USC 213.

"(2) **MUST BE PURCHASED IN NAME OF EMPLOYEE.**—This section shall apply to a bond described in paragraph (1) only if it is purchased in the name of the employee.

"(c) **DEDUCTION FOR CONTRIBUTIONS TO BOND PURCHASE PLANS.**—Contributions paid by an employer to or under a qualified bond purchase plan shall be allowed as a deduction in an amount determined under section 404 in the same manner and to the same extent as if such contributions were made to a trust described in section 401(a) which is exempt from tax under section 501(a).

26 USC 404, 401, 501.

**“(d) TAXABILITY OF BENEFICIARY OF QUALIFIED BOND PURCHASE PLAN.—**

“(1) GROSS INCOME NOT TO INCLUDE BONDS AT TIME OF DISTRIBUTION.—For purposes of this chapter, in the case of a distributee of a bond described in subsection (b) under a qualified bond purchase plan, or from a trust described in section 401(a) which is exempt from tax under section 501(a), gross income does not include any amount attributable to the receipt of such bond. Upon redemption of such bond, the proceeds shall be subject to taxation under this chapter, but the provisions of section 72 (relating to annuities, etc.) and section 1232 (relating to bonds and other evidences of indebtedness) shall not apply.

26 USC 401, 501.

26 USC 72.

26 USC 1232.

“(2) BASIS.—The basis of any bond received by a distributee under a qualified bond purchase plan—

“(A) if such bond is distributed to an employee, or with respect to an employee, who at the time of purchase of the bond, was an employee other than an employee within the meaning of section 401(c) (1), shall be the amount of the contributions by the employee which were used to purchase the bond, and

*Ante*, p. 811.

“(B) if such bond is distributed to an employee, or with respect to an employee, who, at the time of purchase of the bond, was an employee within the meaning of section 401(c) (1), shall be the amount of the contributions used to purchase the bond which were made on behalf of such employee and were not allowed as a deduction under subsection (c).

The basis of any bond described in subsection (b) received by a distributee from a trust described in section 401(a) which is exempt from tax under section 501(a) shall be determined under regulations prescribed by the Secretary or his delegate.

“(e) CAPITAL GAINS TREATMENT NOT TO APPLY TO BONDS DISTRIBUTED BY TRUSTS.—Section 402(a) (2) shall not apply to any bond described in subsection (b) distributed to any distributee and, for purposes of applying such section, any such bond distributed to any distributee and any such bond to the credit of any employee shall not be taken into account.

26 USC 402.

“(f) EMPLOYEE DEFINED.—For purposes of this section, the term ‘employee’ includes an individual who is an employee within the meaning of section 401(c) (1), and the employer of such individual shall be the person treated as his employer under section 401(c) (4).

*Ante*, p. 812.

“(g) PROOF OF PURCHASE.—At the time of purchase of any bond to which this section applies, proof of such purchase shall be furnished in such form as will enable the purchaser, and the employee in whose name such bond is purchased, to comply with the provisions of this section.

“(h) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.”

(b) CLERICAL AMENDMENT.—The table of sections for such part is amended by adding at the end thereof the following new item:

“Sec. 405. Qualified bond purchase plans.”

**SEC. 6. PROHIBITED TRANSACTIONS.**

Section 503 of the Internal Revenue Code of 1954 (relating to prohibited transactions) is amended by adding at the end thereof the following new subsection:

26 USC 503.

“(j) TRUSTS BENEFITTING CERTAIN OWNER-EMPLOYEES.—

“(1) PROHIBITED TRANSACTIONS.—In the case of a trust described in section 401(a) which is part of a plan providing contributions or benefits for employees some or all of whom are owner-employees (as defined in section 401(c) (3)) who control (within the meaning of section 401(d) (9) (B)) the trade or business with respect

*Ante*, p. 815.



to which the plan is established, the term 'prohibited transaction' also means any transaction in which such trust, directly or indirectly—

"(A) lends any part of the corpus or income of the trust to;

"(B) pays any compensation for personal services rendered to the trust to;

"(C) makes any part of its services available on a preferential basis to; or

"(D) acquires for the trust any property from, or sells any property to;

any person described in subsection (c) or to any such owner-employee, a member of the family (as defined in section 267(c)(4)) of any such owner-employee, or a corporation controlled by any such owner-employee through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation.

"(2) SPECIAL RULE FOR LOANS.—For purposes of the application of paragraph (1) (A), the following rules shall apply with respect to a loan made before the date of the enactment of this subsection which would be a prohibited transaction if made in a taxable year beginning after December 31, 1962:

"(A) If any part of the loan is repayable prior to December 31, 1965, the renewal of such part of the loan for a period not extending beyond December 31, 1965, on the same terms, shall not be considered a prohibited transaction.

"(B) If the loan is repayable on demand, the continuation of the loan beyond December 31, 1965, shall be considered a prohibited transaction."

#### SEC. 7. OTHER SPECIAL RULES, TECHNICAL CHANGES, AND ADMINISTRATIVE PROVISIONS.

(a) RETIREMENT INCOME CREDIT.—Section 37(c)(1) of the Internal Revenue Code of 1954 (relating to definition of retirement income) is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) pensions and annuities (including, in the case of an individual who is, or has been, an employee within the meaning of section 401(c)(1), distributions by a trust described in section 401(a) which is exempt from tax under section 501(a)),"; and

(2) by striking out "and" at the end of subparagraph (C), by striking out "or" at the end of subparagraph (D) and inserting in lieu thereof "and", and by adding after subparagraph (D) the following new subparagraph:

"(E) bonds described in section 405(b)(1) which are received under a qualified bond purchase plan described in section 405(a) or in a distribution from a trust described in section 401(a) which is exempt from tax under section 501(a), or"

(b) ADJUSTED GROSS INCOME.—Section 62 of the Internal Revenue Code of 1954 (relating to the definition of adjusted gross income) is amended by inserting after paragraph (6) the following new paragraph:

"(7) PENSION, PROFIT-SHARING, ANNUITY, AND BOND PURCHASE PLANS OF SELF-EMPLOYED INDIVIDUALS.—In the case of an individual who is an employee within the meaning of section 401(c)(1), the deductions allowed by section 404 and section 405(c) to the extent attributable to contributions made on behalf of such individual."

26 USC 267.

26 USC 37.

Ante, p. 811.  
26 USC 401, 501.

Ante, p. 826.

26 USC 62.

26 USC 404.  
Ante, p. 826.

(c) **DEATH BENEFITS.**—Section 101(b) of the Internal Revenue Code of 1954 (relating to employees' death benefits) is amended—

26 USC 101.

(1) by striking out clause (ii) of paragraph (2) (B) and inserting in lieu thereof the following: .

“(ii) under an annuity contract under a plan described in section 403(a), or”; and

26 USC 403.

(2) by adding at the end thereof the following new paragraph:

“(3) **SELF-EMPLOYED INDIVIDUAL NOT CONSIDERED AN EMPLOYEE.**—For purposes of this subsection, the term ‘employee’ does not include an individual who is an employee within the meaning of section 401(c)(1) (relating to self-employed individuals).”

Ante, p. 811.

(d) **AMOUNTS RECEIVED THROUGH ACCIDENT OR HEALTH INSURANCE.**—Section 104(a) of the Internal Revenue Code of 1954 (relating to compensation for injuries or sickness) is amended by adding at the end thereof the following new sentence:

26 USC 104.

“For purposes of paragraph (3), in the case of an individual who is, or has been, an employee within the meaning of section 401(c)(1) (relating to self-employed individuals), contributions made on behalf of such individual while he was such an employee to a trust described in section 401(a) which is exempt from tax under section 501(a), or under a plan described in section 403(a), shall, to the extent allowed as deductions under section 404, be treated as contributions by the employer which were not includible in the gross income of the employee.”

26 USC 401, 501.

26 USC 404.

(e) **AMOUNTS RECEIVED UNDER ACCIDENT AND HEALTH PLANS.**—Section 105 of the Internal Revenue Code of 1954 (relating to amounts received under accident and health plans) is amended by adding at the end thereof the following new subsection:

26 USC 105.

“(g) **SELF-EMPLOYED INDIVIDUAL NOT CONSIDERED AN EMPLOYEE.**—For purposes of this section, the term ‘employee’ does not include an individual who is an employee within the meaning of section 401(c)(1) (relating to self-employed individuals).”

(f) **NET OPERATING LOSS DEDUCTION.**—Section 172(d)(4) of the Internal Revenue Code of 1954 (relating to nonbusiness deductions of taxpayers other than corporations) is amended—

26 USC 172.

(1) by striking out “and” at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting “; and”; and

(3) by adding after subparagraph (C) the following new subparagraph:

“(D) any deduction allowed under section 404 or section 405(c) to the extent attributable to contributions which are made on behalf of an individual who is an employee within the meaning of section 401(c)(1) shall not be treated as attributable to the trade or business of such individual.”

Ante, p. 826.

(g) **CERTAIN LIFE INSURANCE RESERVES.**—Section 805(d)(1) of the Internal Revenue Code of 1954 (relating to pension plan reserves) is amended—

26 USC 805.

(1) by striking out in subparagraph (B) “meeting the requirements of section 401(a)(3), (4), (5), and (6) or” and inserting in lieu thereof “described in section 403(a), or plans meeting”; and

26 USC 401.

26 USC 403.

(2) by striking out in subparagraph (C) “and (6)” and inserting in lieu thereof “(6), (7), and (8)”.

(h) **UNINCORPORATED BUSINESSES ELECTING TO BE TAXED AS CORPORATIONS.**—Section 1361(d) of the Internal Revenue Code of 1954 (relating to unincorporated business enterprises electing to be taxed as domestic corporations) is amended by inserting before the period at the end thereof the following: “other than an employee within the meaning of section 401(c)(1) (relating to self-employed

26 USC 1361.

*Ante*, p. 826.

individuals), or for purposes of section 405 (relating to qualified bond purchase plans) other than an employee described in section 405(f)".

26 USC 2039.

(i) **ESTATE TAX EXEMPTION OF EMPLOYEES' ANNUITIES.**—Section 2039 of the Internal Revenue Code of 1954 (relating to exemption from the gross estate of annuities under certain trusts and plans) is amended—

26 USC 401.

(1) by striking out in subsection (c) (2) "met the requirements of section 401(a) (3), (4), (5), and (6)" and inserting "was a plan described in section 403(a)"; and

26 USC 403.

(2) by adding at the end of subsection (c) the following new sentence: "For purposes of this subsection, contributions or payments on behalf of the decedent while he was an employee within the meaning of section 401(c) (1) made under a trust or plan described in paragraph (1) or (2) shall be considered to be contributions or payments made by the decedent."

*Ante*, p. 811.

26 USC 2517.

(j) **GIFT TAX EXEMPTION OF EMPLOYEES' ANNUITIES.**—Section 2517 of the Internal Revenue Code of 1954 (relating to exclusion from gift tax in case of certain annuities under qualified plans) is amended—

(1) by striking out in subsection (a) (2) "met the requirements of section 401(a) (3), (4), (5), and (6)" and inserting in lieu thereof "was a plan described in section 403(a)"; and

(2) by adding at the end of subsection (b) the following new sentence: "For purposes of this subsection, payments or contributions on behalf of an individual while he was an employee within the meaning of section 401(c) (1) made under a trust or plan described in subsection (a) (1) or (2) shall be considered to be payments or contributions made by the employee."

26 USC 3306.

(k) **FEDERAL UNEMPLOYMENT TAX ACT.**—Section 3306(b) (5) of the Internal Revenue Code of 1954 (relating to definition of wages) is amended by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(B) under or to an annuity plan which, at the time of such payment, is a plan described in section 403(a), or

"(C) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a)";

*Ante*, p. 826.

26 USC 3401.

(l) **WITHHOLDING OF INCOME TAX.**—Section 3401(a) (12) of the Internal Revenue Code of 1954 (relating to definition of wages) is amended by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(B) under or to an annuity plan which, at the time of such payment, is a plan described in section 403(a); or

"(C) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a)."

(m) **INFORMATION REQUIREMENTS.**—

26 USC 6041-6046.

(1) **IN GENERAL.**—Subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to information concerning transactions with other persons) is amended by adding after section 6046 the following new section:

**"SEC. 6047. INFORMATION RELATING TO CERTAIN TRUSTS AND ANNUITY AND BOND PURCHASE PLANS.**

"(a) **TRUSTEES AND INSURANCE COMPANIES.**—The trustee of a trust described in section 401(a) which is exempt from tax under section 501(a) to which contributions have been paid under a plan on behalf of any owner-employee (as defined in section 401(c) (3)), and each insurance company or other person which is the issuer of a contract purchased by such a trust, or purchased under a plan described in section 403(a), contributions for which have been paid on behalf of

*Ante*, p. 812.

any owner-employee, shall file such returns (in such form and at such times), keep such records, make such identification of contracts and funds (and accounts within such funds), and supply such information, as the Secretary or his delegate shall by forms or regulations prescribe.

“(b) OWNER-EMPLOYEES.—Every individual on whose behalf contributions have been paid as an owner-employee (as defined in section 401(c)(3))—

“(1) to a trust described in section 401(a) which is exempt from tax under section 501(a), or

“(2) to an insurance company or other person under a plan described in section 403(a),

shall furnish the trustee, insurance company, or other person, as the case may be, such information at such times and in such form and manner as the Secretary or his delegate shall prescribe by forms or regulations.

“(c) EMPLOYEES UNDER QUALIFIED BOND PURCHASE PLANS.—Every individual in whose name a bond described in section 405(b)(1) is purchased by his employer under a qualified bond purchase plan described in section 405(a), or by a trust described in section 401(a) which is exempt from tax under section 501(a), shall furnish—

“(1) to his employer or to such trust, and

“(2) to the Secretary (or to such person as the Secretary may by regulations prescribe),  
such information as the Secretary or his delegate shall by forms or regulations prescribe.

“(d) CROSS REFERENCE.—

“For criminal penalty for furnishing fraudulent information, see section 7207.”

(2) CLERICAL AMENDMENT.—The table of sections for such subpart B is amended by adding after the reference to section 6046 the following:

“Sec. 6047. Information relating to certain trusts and annuity and bond purchase plans.”

(3) PENALTY.—Section 7207 of the Internal Revenue Code of 1954 (relating to fraudulent returns, statements, or other documents) is amended by adding at the end thereof the following new sentence: “Any person required pursuant to section 6047 (b) or (c) to furnish any information to the Secretary or any other person who willfully furnishes to the Secretary or such other person any information known by him to be fraudulent or to be false as to any material matter shall be fined not more than \$1,000, or imprisoned not more than 1 year, or both.”

#### SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1962.

Approved October 10, 1962.

*Ante*, p. 812.

26 USC 401, 501.

26 USC 403.

*Ante*, p. 826.

*Infra*.

26 USC 7207.

*Ante*, p. 830.

## Public Law 87-793

October 11, 1962  
[H. R. 7927]

## AN ACT

To adjust postal rates, and for other purposes.

Postal Service  
and Federal Em-  
ployees Salary  
Act of 1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Postal Service and Federal Employees Salary Act of 1962".

## PART I—POSTAL SERVICE

## TITLE I—POSTAL RATES

## FIRST-CLASS MAIL

74 Stat. 664.

SEC. 101. Section 4253(a) of title 39, United States Code, is amended by striking out the words "four" and "three" wherever appearing in subsection (a) and inserting in lieu thereof the words "five" and "four", respectively.

## AIRMAIL

SEC. 102. (a) Section 4303 of title 39, United States Code, is amended—

(1) by striking out the word "seven" in subsection (a) and inserting in lieu thereof the word "eight";

(2) by striking out the word "five" in subsection (b) and inserting in lieu thereof the word "six";

(3) by increasing each of the rates under the heading "First pound over 8 ounces or fraction thereof" in the table in subsection (d) (1) by 8 cents;

(4) by striking out paragraph (2) of subsection (d) and inserting in lieu thereof the following:

"(2) The rate of postage on air mail of the first class weighing in excess of eight ounces shall be the rate provided by subsection (a) for each ounce not in excess of eight ounces, plus 5 cents for each ounce or fraction thereof in excess of eight ounces, but in no case less than the rate provided under paragraph (1) for air parcels."

## SECOND CLASS WITHIN COUNTY OF PUBLICATION

74 Stat. 668.

SEC. 103. Subsections (a) and (b) of section 4358 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

"[In cents]

|                               | "Mailed after<br>January 6, 1963,<br>and prior to<br>January 1, 1965 | Mailed after<br>December 31,<br>1964 |
|-------------------------------|--|--------------------------------------|
| "Rate per pound.....          | 1  | 1½                                   |
| Minimum charge per piece..... | ½  | ¾                                    |

"(b) The rate of postage on the following publications admitted as second-class mail when mailed for delivery, within the county in which they are published and entered, by letter carrier at the office of mailing, shall be—

SECOND-CLASS TRANSIENT MAIL

74 Stat. 670.

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out “two cents” and inserting in lieu thereof “four cents”.

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended by striking out “12 cents a pound or fraction thereof” and inserting in lieu thereof the following: “12½ cents a pound or fraction thereof when mailed after January 6, 1963, and prior to January 1, 1964, 13 cents a pound or fraction thereof when mailed during calendar year 1964, and 13½ cents a pound or fraction thereof when mailed after December 31, 1964”.

THIRD-CLASS MAIL

74 Stat. 673;  
Ante, p. 444.

SEC. 107. Section 4452 of title 39, United States Code, is amended—  
(1) by amending subsections (a), (b), and (c) to read as follows:

“(a) Except as provided in subsection (c) of this section, and subject to the minimum charge per piece provided in subsection (b) of this section, the postage rates on third-class mail are as follows:

| “Type of mailing  | Rate  | Unit                                       |
|---|-------|--|
|   | Cents |  |
| (1) Individual piece.....   | 4     | First 2 ounces or fraction thereof.        |
|   | 2     | Each additional ounce or fraction thereof. |
| (2) Bulk mailings under subsec. (e) of this section of:<br>(A) Books and catalogs of 24 pages or more,<br>seeds, cuttings, bulbs, roots, scions<br>and plants.<br>(B) Other matter..... | 12    | Each pound or fraction thereof.            |
|   | 18    | Do.  |

“(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece of 25⁄8 cents when mailed subsequent to January 6, 1963 and prior to January 1, 1964, 2⁄8 cents when mailed during calendar year 1964, and 27⁄8 cents when mailed after December 31, 1964, except that the minimum charge per piece on such matter mailed by qualified nonprofit organizations is 11⁄4 cents.

“(c) The pound rates on matter mailed in bulk under subsection (e) by qualified nonprofit organizations are 50 per centum of the pound rates provided by subsection (a).”

(2) by striking out “subsections (a) and (b) of” wherever it appears in subsection (d).

(3) by striking out “\$20” and “twenty pounds” in subsection (e) and inserting in lieu thereof “\$30” and “fifty pounds”, respectively, effective January 1, 1963.

FOURTH-CLASS MAIL

74 Stat. 674.

SEC. 108. Section 4552(b)(5) of title 39, United States Code, relating to size and weight limitations on fourth-class matter mailed to or from certain areas, is amended by striking out the words “Territory of Hawaii” and inserting in lieu thereof the words “States of Alaska and Hawaii.”.

Ante, p. 445.

SEC. 109. Section 4554 of title 39, United States Code (relating to books, films, and similar educational materials), is amended by striking out that part of subsection (a) which precedes paragraph (1) and inserting in lieu thereof the following:

“(a) Except as provided in subsection (b) of this section, the postage rate is 9½ cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after January 6, 1963 and prior to January 1, 1964, and 10 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after December 31, 1963, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—”.

#### FEEES FOR SECOND-CLASS ENTRY AND REGISTRATION

SEC. 110. Section 4357 of title 39, United States Code, is amended—

74 Stat. 668.

(1) by striking out “\$25” in subsection (a) (1) and inserting in lieu thereof “\$30”;

(2) by striking out “\$50” in subsection (a) (2) and inserting in lieu thereof “\$60”;

(3) by striking out “\$100” in subsection (a) (3) and inserting in lieu thereof “\$120”;

(4) by striking out “\$10” in the first sentence of subsection (b) and inserting in lieu thereof “\$15”;

(5) by striking out the second sentence of subsection (b) and inserting in lieu thereof the following: “The fee for each additional entry is \$15, except that if the additional entry is made within zones 3 to 8, inclusive (determined from the office of publication and entry), of the zones established for purposes of fourth-class mail, such fee shall be \$50.”;

(6) by striking out “\$20” in subsection (c) and inserting in lieu thereof “\$25”; and

(7) by striking out the last sentence in subsection (d).

#### PERMIT FEES FOR MAILING WITHOUT STAMPS

SEC. 111. Section 4052(b) of title 39, United States Code, is amended by striking out “\$10” and inserting in lieu thereof “\$15”.

74 Stat. 656.

#### FIXING OF FEES BY POSTMASTER GENERAL

SEC. 112. Section 507 of title 39, United States Code, is amended by adding at the end thereof the following:

74 Stat. 581.

“(12) the issuance of a permit for prepayment of postage without stamps.

“(13) the entry, re-entry, or additional entry of a periodical publication as second-class mail.

“(14) the registry of a news agent.

Fees prescribed by the Postmaster General under paragraphs (12) to (14), inclusive, shall be collected in lieu of the corresponding fees established under section 4052(b) or 4357.”

#### KEYS AND OTHER SMALL ARTICLES

SEC. 113. Section 4651(b) of title 39, United States Code, is amended by striking out “5 cents” and inserting in lieu thereof “6 cents”.

74 Stat. 676.

#### METHOD OF DETERMINING GROSS RECEIPTS

SEC. 114. Section 711(c) of title 39, United States Code, is amended by striking out “Public Law 85-426” and inserting in lieu thereof “any Act of Congress enacted on or after May 27, 1958”.

74 Stat. 584.

72 Stat. 134.

STANDARDS FOR DETERMINATION OF QUALIFICATIONS OF APPLICANTS FOR  
POSITIONS OF POSTMASTER

SEC. 115. In evaluating the qualifications of applicants for positions of postmaster, the United States Civil Service Commission shall give, with respect to each applicant, all due and appropriate consideration to experience in the postal field service, including seniority, length of service, level of difficulty and responsibility of work, attendance, awards and commendations, and performance rating.

TITLE II—POSTAL POLICY

74 Stat. 599.

SEC. 201. (a) Section 2302(c)(4) of title 39, United States Code, is amended by striking out "deemed to be attributable to the performance of public services under section 2303(b) of this title" and inserting in lieu thereof "determined under section 2303 of this title to be attributable to the performance of public services".

(b) Section 2303(a) of title 39, United States Code, is amended—

(1) by amending the heading so as to read

**"§ 2303. Identification of public services and costs thereof";**

(2) by striking out paragraph 1(A) and inserting in lieu thereof the following:

*Ante*, p. 833.

"(A) reduced rates for certain publications as provided by section 4359 of this title;";

(3) by striking out paragraph 1(C) and inserting in lieu thereof the following:

*Ante*, p. 832.

"(C) second class mailings at postage rates as provided by section 4358 of this title;"; and

(4) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) 10 per centum of the gross cost of the operation of third-class post offices and the star route system, and 20 per centum of the gross cost of the operation of fourth-class post offices and rural routes."

(5) by adding at the end thereof the following new sentence:

"The terms 'total loss' and 'loss' as used in this section mean the amounts by which the total allocated costs incurred by the postal establishment in the performance of the public services enumerated in this subsection exceed the total revenues received by the postal establishment for the performance of such public services."

74 Stat. 600.

(c) Section 2303(b) of title 39, United States Code, is amended to read as follows:

"(b) The Postmaster General shall report to the Congress, on or before February 1 of each year beginning with the year 1963, the estimated amount of the losses or costs (or percentage of costs) specified in subsection (a) incurred by the postal establishment in the then current fiscal year in the performance of the public services enumerated in such subsection. The aggregate amount of the losses or costs (or percentage of costs) specified in subsection (a), incurred by the postal establishment in any fiscal year in the performance of such public services, shall be excluded from the total cost of operating the postal establishment for purposes of adjustment of postal rates and fees, including any adjustment pursuant to the provisions of section 207(b) of the Act of February 28, 1925, relating to reformation of classification (39 U.S.C., 1958 ed. 247)."

43 Stat. 1067.



(d) The table of contents of chapter 27 of title 39, United States Code, is amended by striking out

“2303. Identification of and appropriations for public services.”

and inserting in lieu thereof:

“2303. Identification of public services and costs thereof.”.

### TITLE III—MISCELLANEOUS

#### ELIGIBILITY OF CERTAIN ORGANIZATIONS FOR SECOND-CLASS ENTRY

SEC. 301. Section 4355(a) of title 39, United States Code, is amended—

74 Stat. 667.

(1) by inserting after the words “State board of health” in subparagraph (3) a comma and the words “or a State industrial development agency”;

(2) by striking out the period at the end of subparagraph (9) and inserting in lieu of such period a semicolon and the word “or”; and

(3) by adding at the end thereof the following new subparagraph (10):

“(10) published by any public or nonprofit private elementary or secondary institution of learning or its administrative or governing body.”.

#### EDUCATIONAL MATERIALS

SEC. 302. Section 4554 of title 39, United States Code, is amended—

*Ante*, p. 834.

(1) by striking out paragraph (5) of subsection (a) and inserting in lieu thereof the following:

“(5) sound recordings, including incidental announcements of recordings and guides or scripts prepared solely for use with such recordings;”;

(2) by striking out the period at the end of paragraph (6) of subsection (a) and inserting in lieu thereof a semicolon;

(3) by adding at the end of subsection (a) the following:

“(7) printed educational reference charts, permanently processed for preservation; and

“(8) looseleaf pages, and binders therefor, consisting of medical information for distribution to doctors, hospitals, medical schools, and medical students.”

(4) by striking out the word “students’” immediately preceding the word “notations” in paragraph (1) of subsection (a) and in paragraph (2) of subsection (b);

(5) by inserting after the words “loaned or exchanged” in paragraph (1) of subsection (b) the following: “(including cooperative processing by libraries)”;

(6) by striking out:

“(D) bound volumes of periodicals;

“(E) phonograph recordings; and”

in paragraph (2) of subsection (b) and inserting in lieu thereof:

“(D) periodicals, whether bound or unbound;

“(E) sound recordings; and”;

(7) by striking out “and catalog of those items” in subsection (c) and inserting in lieu thereof “scientific or mathematical kits, instruments, or other devices and catalogs of those items, and guides or scripts prepared solely for use with such materials”.

#### READING AND OTHER MATERIALS FOR BLIND PERSONS

SEC. 303. Sections 4653 and 4654 of title 39, United States Code, are amended to read as follows:

74 Stat. 677.

**“§ 4653. Publications for blind persons**

Free postage.

**“(a) The following matter may be mailed free of postage—****“(1) books, pamphlets, and other reading matter, including pages thereof:****“(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;****“(B) in packages not exceeding the weight prescribed by the Postmaster General;****“(C) containing no advertising or other matter whatsoever;****“(D) unsealed;****“(E) sent—****“(i) by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, as a loan to blind readers, or when returned by the blind reader to the lender; or****“(ii) to a blind person without cost to the blind person; or****“(iii) to an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to be furnished to a blind person without cost to such blind person.****“(2) magazines, periodicals, and other regularly issued publications:****“(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;****“(B) containing no advertising;****“(C) for which no subscription fee is charged.**

Postage rate.

**“(b) There may be mailed at the rate of postage of 1 cent for each pound or fraction thereof—****“(1) books, pamphlets, and other reading matter, including pages thereof:****“(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;****“(B) in packages not exceeding the weight prescribed by the Postmaster General;****“(C) containing no advertising or other matter whatsoever;****“(D) unsealed;****“(E) sent—****“(i) by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, on a rental basis to blind readers, or when returned by the blind reader to such organizations, at a price not greater than the cost price thereof; or****“(ii) to a blind person at a price not greater than the cost price thereof; or****“(iii) to an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to be furnished**

to a blind person at a price not greater than the cost price thereof.

“(2) magazines, periodicals, and other regularly issued publications:

“(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

“(B) containing no advertising;

“(C) when furnished by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to a blind person, at a price not greater than the cost price thereof.

**“§ 4654. Reproducers, sound recordings, and other materials and appliances for the preparation of reading matter for blind persons**

“(a) Reproducers, or parts thereof, for sound recordings for blind persons which are the property of the United States Government may be mailed free of postage when sent for repair, or returned after repair—

Government property, free postage.

“(1) by an organization, institution, public library, or association for blind persons, not conducted for private profit;

“(2) by a blind person to such an agency not conducted for private profit;

“(3) from such an agency to an organization, institution, public library, or association for blind persons not conducted for private profit; or

“(4) to a blind person.

“(b) The Postmaster General may extend the free mailing privilege provided by subsection (a) of this section to reproducers or parts thereof for sound recordings for blind persons, braille writers and other appliances for blind persons or parts thereof, that are the property of—

“(1) State governments or subdivisions thereof;

“(2) public libraries;

“(3) private agencies for the blind not conducted for private profit; or

“(4) blind individuals.

“(c) The Postmaster General may also permit the mailing free of postage of paper, records, tapes, and other materials for use by the recipients for the production (whether by hand or printed) of reading matter either in raised characters or sightsaving-size type, or in the form of sound recordings, for use of blind persons, where such materials are the property of—

“(1) State governments or subdivisions thereof;

“(2) public libraries;

“(3) private agencies for the blind not conducted for private profit; or

“(4) blind individuals.”

**REPEALS AND TECHNICAL AMENDMENTS**

**SEC. 304.** (a) The following provisions of law are repealed:

(1) The third proviso in section 3 of the Act of October 30, 1951, as amended by the Act of June 23, 1959 (73 Stat. 89; Public Law 86-56);

74 Stat. 728.  
Ante, p. 447.

62 Stat. 1263;  
74 Stat. 727.

(2) Sections 204(d), 204(e) (1), and 204(e) (2) of the Postal Rate Revision and Federal Employees Salary Act of 1948, as amended by the Act of July 14, 1960 (74 Stat. 479; Public Law 86-644);

74 Stat. 670, 676.

(3) Sections 4361 and 4652 of title 39, United States Code. (b) Section 4359(a) of title 39, United States Code, is amended by striking out "4358, 4361, and 4362" and inserting in lieu thereof "4358 and 4362".

74 Stat. 672.

(c) Section 4451(d) of title 39, United States Code, is amended by striking out "(a) (2)" and inserting in lieu thereof "(a) (3)".

#### COMMUNIST POLITICAL PROPAGANDA

74 Stat. 654.

SEC. 305. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end thereof the following new section:

##### "§ 4008. Communist political propaganda

"(a) Mail matter, except sealed letters, which originates or which is printed or otherwise prepared in a foreign country and which is determined by the Secretary of the Treasury pursuant to rules and regulations to be promulgated by him to be 'communist political propaganda', shall be detained by the Postmaster General upon its arrival for delivery in the United States, or upon its subsequent deposit in the United States domestic mails, and the addressee shall be notified that such matter has been received and will be delivered only upon the addressee's request, except that such detention shall not be required in the case of any matter which is furnished pursuant to subscription or which is otherwise ascertained by the Postmaster General to be desired by the addressee. If no request for delivery is made by the addressee within a reasonable time, which shall not exceed sixty days, the matter detained shall be disposed of as the Postmaster General directs.

56 Stat. 250.

65 Stat. 73.  
19 USC 1362.  
Post, p. 876.

75 Stat. 444;  
Ante, p. 261.

"(b) For the purposes of this section, the term 'communist political propaganda' means political propaganda, as defined in section 1(j) of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611(j)), issued by or on behalf of any country with respect to which there is in effect a suspension or withdrawal of tariff concessions pursuant to section 5 of the Trade Agreements Extension Act of 1951 or section 231 of the Trade Expansion Act of 1962, or any country from which any type of foreign assistance is withheld pursuant to section 620(f) of the Foreign Assistance Act of 1961, as amended.

"(c) The provisions of this section shall not be applicable with respect to (1) matter addressed to any United States Government agency, or any public library, or to any college, university, graduate school, or scientific or professional institution for advanced studies, or any official thereof, or (2) material whether or not 'communist political propaganda' addressed for delivery in the United States pursuant to a reciprocal cultural international agreement under which the United States Government mails an equal amount of material for delivery in any country described in subsection (b)."

(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof the following:

"4008. Communist political propaganda."

#### EFFECTIVE DATE

SEC. 306. Except as otherwise provided, the foregoing provisions of this part shall become effective on January 7, 1963.

NOTICE WITH RESPECT TO OBSCENE MATTER DISTRIBUTED BY MAIL AND  
DETENTION THEREOF

SEC. 307. In order to alert the recipients of mail and the general public to the fact that large quantities of obscene, lewd, lascivious, and indecent matter are being introduced into this country from abroad and disseminated in the United States by means of the United States mails, the Postmaster General shall publicize such fact (1) by appropriate notices posted in post offices, and (2) by notifying recipients of mail, whenever he deems it appropriate in order to carry out the purposes of this section, that the United States mails may contain such obscene, lewd, lascivious, or indecent matter. Any person may file a written request with his local post office to detain obscene, lewd, lascivious, or indecent matter addressed to him, and the Postmaster General shall detain and dispose of such matter for such period as the request is in effect. The Postmaster General shall permit the return of mail containing obscene, lewd, lascivious, or indecent matter, to local post offices, without cost to the recipient thereof. Nothing in this section shall be deemed to authorize the Postmaster General to open, inspect, or censor any mail except on specific request by the addressee thereof. The Postmaster General is authorized to prescribe such regulations as he may deem appropriate to carry out the purposes of this section.

Written request  
for detention.

## PART II—FEDERAL SALARY REFORM

## TITLE I—GENERAL POLICY

## SHORT TITLE

SEC. 501. This part may be cited as the "Federal Salary Reform Act of 1962".

Federal Salary  
Reform Act of  
1962.

## DECLARATION OF POLICY

SEC. 502. The Congress hereby declares that, whereas the functions of a Federal salary system are to fix salary rates for the services rendered by Federal employees so as to make possible the employment of persons well qualified to conduct the Government's programs and to control expenditures of public funds for personal services with equity to the employee and to the taxpayer, and whereas fulfillment of these functions is essential to the development and maintenance of maximum proficiency in the civilian services of Government, then, accordingly, Federal salary fixing shall be based upon the principles that—

(a) There shall be equal pay for substantially equal work, and pay distinctions shall be maintained in keeping with work and performance distinctions; and

(b) Federal salary rates shall be comparable with private enterprise salary rates for the same levels of work.

Salary levels for the several Federal statutory salary systems shall be interrelated, and salary levels shall be set and henceforth adjusted in accordance with the above principles.

## IMPLEMENTATION OF POLICY

SEC. 503. In order to give effect to the policy stated in section 502, the President: (1) shall direct such agency or agencies, as he deems appropriate, to prepare and submit to him annually a report which compares the rates of salary fixed by statute for Federal employees with the rates of salary paid for the same levels of work in private

Report to Congress.

Higher minimum compensation rates.  
Presidential authority.

Post, p. 843.  
74 Stat. 607.

72 Stat. 1243;  
Post, p. 859.

Post, pp. 861,  
862.

Compensation rates, revision.

Post, p. 847.  
Post, p. 854.

enterprise as determined on the basis of appropriate annual surveys conducted by the Bureau of Labor Statistics, and, after seeking the views of such employee organizations as he deems appropriate and in such manner as he may provide, (2) shall report annually to the Congress (a) this comparison of Federal and private enterprise salary rates and (b) such recommendations for revision of statutory salary schedules, salary structures, and compensation policy, as he deems advisable.

SEC. 504. (a) Whenever the President shall find that the salary rates in private enterprise for one or more occupations in one or more areas or locations are so substantially above the salary rates of statutory pay schedules as to handicap significantly the Government's recruitment or retention of well-qualified persons in positions compensated under (1) section 603(b) of the Classification Act of 1949, as amended (5 U.S.C. 1113(b)), (2) the provisions of part III of title 39, United States Code, relating to personnel in the postal field service, (3) the pay scales for physicians, dentists, and nurses in the Department of Medicine and Surgery of the Veterans' Administration under chapter 73 of title 38, United States Code, or (4) sections 412 and 415 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867 and 870), he may establish for such areas or locations higher minimum rates of basic compensation for one or more grades or levels, occupational groups, series, classes, or subdivisions thereof, and may make corresponding increases in all step rates of the salary range for each such grade or level: *Provided*, That in no case shall any minimum salary rate so established exceed the seventh salary rate prescribed by law for the grade or level. The President may authorize the exercise of the authority conferred upon him by this section by the Civil Service Commission or, in the case of employees not subject to the civil service laws and regulations, by such other agency or agencies as he may designate.

(b) Within the limitations specified in subsection (a), rates of basic compensation established under such subsection may be revised from time to time by the President or by such agency or agencies as he may designate. Such actions or revisions shall have the force and effect of law.

(c) Any increase in rate of basic compensation established under this section shall not be regarded as an "equivalent increase" in compensation within the meaning of section 701(a) of the Classification Act of 1949, as amended, and section 3552 of title 39 of the United States Code.

SEC. 505. The functions, duties, and regulations of the departments and the Civil Service Commission with respect to this title, the Classification Act of 1949, as amended, the provisions of part III of title 39, United States Code, relating to personnel in the postal field service, the Foreign Service Act of 1946, as amended, and the provisions of chapter 73 of title 38 of the United States Code relating to personnel of the Department of Medicine and Surgery in the Veterans' Administration, shall be subject to such policies and rules as the President may issue. Among other things, the President's policies and rules may provide for—

(1) preparing and reporting to him the annual comparison of Federal salary rates with private enterprise rates,

(2) obtaining and reporting to him the views of employee organizations on such annual comparison, and on other salary matters,

(3) reviewing and reporting to him on the adequacy of the Federal statutory salary structures for the Federal programs to which they apply,

Compensation  
Schedule I, initial  
adjustment of  
rates.

(b) The rates of basic compensation of officers and employees to whom Compensation Schedule I of the General Schedule set forth in subsection (a) of this section applies shall, subject to the provisions of paragraph (10) of this subsection, be initially adjusted, effective on the first day of the first pay period beginning on or after the date of enactment of this Act, as follows:

Grades 1-3.

(1) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at the first, second, third, fourth, fifth, sixth, or seventh scheduled rate, or at the first or second longevity rate of a grade below grade 4 of the General Schedule of the Classification Act of 1949, as amended, he shall be advanced as follows: Employees in step 1 to step 2 of the new schedule; step 2 to step 3; step 3 to step 4; step 4 to step 5; step 5 to step 6; step 6 to step 7; step 7 to step 8; the first longevity step to step 9; and the second longevity step to step 10.

Grades 1-3.  
Third longevity  
rate.

(2) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at the third longevity rate of a grade below grade 4 of the General Schedule of the Classification Act of 1949, as amended, he shall receive basic compensation at the highest rate of the appropriate grade plus an amount equal to the value of the maximum within grade increment provided for that grade in effect on and after such day.

Grades 4-10.

(3) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at the first, second, third, fourth, fifth, sixth, or seventh scheduled rate, or at the first, second, or third longevity rate, of grade 4, 5, 6, 7, 8, 9, or 10 of the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding first, second, third, fourth, fifth, sixth, seventh, eighth, ninth, or tenth rate of the appropriate grade in effect on and after such day.

Grades 11-14.

(4) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at the first, second, third, fourth, fifth, or sixth scheduled rate, or at the first, second, or third longevity rate of grade 11, 12, 13, or 14 of the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding first, second, third, fourth, fifth, sixth, seventh, eighth, or ninth rate of the appropriate grade in effect on and after such day.

Grade 15.

(5) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at the first, second, third, fourth, or fifth scheduled rate, or at the first, second, or third longevity rate of grade 15 of the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding first, second, third, fourth, fifth, sixth, seventh, or eighth rate of such grade in effect on and after such day.

Grades 16 or 17.

(6) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period, which begins on or after the date of enactment of this Act at the first, second, third, fourth, or fifth rate of grade 16 or grade 17 of the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding

first, second, third, fourth, or fifth rate of the appropriate grade in effect on and after such day.

(7) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at the rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding rate of such grade in effect on and after such day.

Grade 18.

(8) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at a rate between two scheduled or two longevity rates, or between a scheduled and a longevity rate, of a grade of the General Schedule, he shall receive a rate of basic compensation at the higher of the two corresponding rates, as specified in paragraphs (1) through (6) of this subsection, in effect on and after such day.

Rates between scheduled or longevity rates.

(9) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after the date of enactment of this Act at a rate in excess of the maximum longevity rate for his grade, or in excess of the maximum scheduled rate for his grade if there is no longevity rate for his grade, he shall receive (A) the rate of the new schedule, in effect on and after such day, prescribed by paragraphs (1) through (6) of this subsection for employees at the maximum longevity rate or at the maximum scheduled rate, as the case may be, for his grade, or (B) if such rate is less than his existing rate, (i) the lowest rate of the new schedule for his grade which equals or exceeds his existing rate or (ii) if there is no such rate, his existing rate.

Maximum longevity or scheduled rates.

(10) Service of officers and employees performed immediately preceding the first day of the first pay period which begins on or after the date of enactment of this Act, in the grade of the General Schedule in which their respective positions were placed on such day, shall be counted toward not to exceed one step increase under the time in grade provisions of subsection (a) of section 701 of the Classification Act of 1949 as amended by this Act.

Certain previous service.

Post, p. 847.

(11) If the officer or employee, immediately prior to the first day of the first pay period which began on or after the date of enactment of this Act, is receiving, pursuant to paragraph (4) of section 2(b) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of compensation determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111; Public Law 763, Eighty-third Congress), plus the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1955, by section 2 of the Federal Employees Salary Increase Act of 1958, and by section 112 of the Federal Employees Salary Increase Act of 1960, he shall receive an aggregate rate of compensation equal to the sum of (A) his existing aggregate rate of compensation determined under such section 208(b) of the Act of September 1, 1954, (B) the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1955, (C) the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1958, (D) the amount of the increase provided by section 112 of the Federal Employees Salary Increase Act of 1960, and (E) the amount of the increase made by this section in the maximum rate of his grade, until (i) he

69 Stat. 173.  
5 USC 1113  
note.  
5 USC 926 note.

72 Stat. 203.  
5 USC 1113 and  
note.  
74 Stat. 298.  
5 USC 1113  
and note.



leaves his position, or (ii) he is entitled to receive aggregate compensation at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this paragraph, the amount of the increase provided by this section shall be held and considered for the purpose of section 208(b) of such Act of September 1, 1954, to constitute a part of the existing rate of compensation of such employee.

Compensation  
Schedule II, initial  
adjustment of  
rates.

(c) The rates of basic compensation of officers and employees to whom Compensation Schedule II of the General Schedule set forth in subsection (a) of this section applies shall be initially adjusted, effective as of the first day of the first pay period beginning on or after January 1, 1964, as follows:

Rate between  
two rates.

(1) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after January 1, 1964, at one of the rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding rate in effect on and after such date.

(2) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after January 1, 1964, at a rate between two rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date.

Maximum rate of  
grade.

(3) If the officer or employee is receiving basic compensation immediately prior to the first day of the first pay period which begins on or after January 1, 1964, at a rate in excess of the maximum rate for his grade, as in effect on and after such date, he shall receive (A) the rate of the new schedule prescribed for employees at the maximum rate for his grade, or (B) his existing rate of basic compensation if such existing rate is higher.

69 Stat. 173.  
5 USC 1113  
note.

5 USC 926 note.

72 Stat. 203  
74 Stat. 298.  
5 USC 1113 and  
note.

(4) If the officer or employee, immediately prior to the first day of the first pay period which begins on or after January 1, 1964, is receiving, pursuant to paragraph (4) of section 2(b) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of compensation determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111; Public Law 763, Eighty-third Congress), plus the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1955, by section 2 of the Federal Employees Salary Increase Act of 1958, and by section 112 of the Federal Employees Salary Increase Act of 1960, and the amount of the initial increase provided by this section, he shall receive an aggregate rate of compensation equal to the sum of (A) his existing aggregate rate of compensation determined under such section 208(b) of the Act of September 1, 1954, (B) the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1955, (C) the amount of the increase provided by section 2 of the Federal Employees Salary Increase Act of 1958, (D) the amount of the increase provided by section 112 of the Federal Employees Salary Increase Act of 1960, and (E) the amount of the increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate compensation at a higher rate by reason of the operation of this

Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this paragraph, the amount of the increase provided by this section shall be held and considered for the purpose of section 208 (b) of such Act of September 1, 1954, to constitute a part of the existing rate of compensation of such employee.

#### STEP-INCREASES

SEC. 603. Title VII of the Classification Act of 1949, as amended (5 U.S.C. 1121–1125), relating to step-increases under such Act, is amended to read as follows:

64 Stat. 1100;  
65 Stat. 613.

#### “TITLE VII—STEP-INCREASES

“SEC. 701. (a) Each officer or employee compensated on a per annum basis, and occupying a permanent position within the scope of the compensation schedules fixed by this Act, who has not attained the maximum rate of compensation for the grade in which his position is placed, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next pay period following the completion of (1) each fifty-two calendar weeks of service in salary rates 1, 2, and 3, or (2) each one hundred and four calendar weeks of service in salary rates 4, 5, and 6, or (3) each one hundred and fifty-six calendar weeks of service in salary rates 7, 8, and 9, subject to the following conditions:

“(A) That no equivalent increase in compensation from any cause was received during such period;

“(B) That his work is of an acceptable level of competence as determined by the head of the department; and

“(C) That the benefit of successive step-increases shall be preserved, under regulations issued by the Commission, for officers and employees whose continuous service is interrupted in the public interest by service with the Armed Forces or by service in essential non-Government civilian employment during a period of war or national emergency.

“(b) Any increase in compensation granted by law shall not be construed to be an equivalent increase in compensation within the meaning of subsection (a).

“SEC. 702. (a) Within the limit of available appropriations and in accordance with regulations prescribed by the Commission, the head of each department is authorized to grant additional step-increases in recognition of high quality performance above that ordinarily found in the type of position concerned. Step-increases under this section shall be in addition to those under section 701 and shall not be construed to be an equivalent increase in compensation within the meaning of subsection (a) of section 701.

“(b) No officer or employee shall be eligible under this section for more than one such additional step-increase within any period of fifty-two weeks.

“SEC. 703. This title shall not apply to the compensation of persons appointed by the President, by and with the advice and consent of the Senate.”

Presidential appointments, exception.

#### GENERAL COMPENSATION RULES

SEC. 604. (a) Section 802(b) of the Classification Act of 1949, as amended (5 U.S.C. 1132(b)), relating to the salary to be received by an officer or employee who is promoted or transferred to a higher grade, is amended to read as follows:

63 Stat. 969.

"(b) Any officer or employee who is promoted or transferred to a position in a higher grade shall receive basic compensation at the lowest rate of such higher grade which exceeds his existing rate of basic compensation by not less than two step-increases of the grade from which he is promoted or transferred. If, in the case of any officer or employee so promoted or transferred who is receiving basic compensation at a rate in excess of the maximum rate for his grade under any provision of law, there is no rate in such higher grade which is at least two step-increases above his existing rate of basic compensation, he shall receive (1) the maximum rate of such higher grade, or (2) his existing rate of basic compensation, if such existing rate is the higher. In case any such officer or employee so promoted or transferred is receiving basic compensation at a rate saved to him under section 507 of this Act upon reduction in grade, such officer or employee shall receive (A) basic compensation at a rate two steps above the rate which he would be receiving if such section 507 were not applicable in his case, or (B) his existing rate of basic compensation, if such existing rate is the higher."

*Intra.*

Basic compensation of certain employees, retention.

(b) Section 802 of such Act is amended by adding at the end thereof a new subsection to read as follows:

"(d) The Commission may issue regulations governing the retention of the rate of basic compensation of an employee who together with his position is brought under this Act. If any such employee so entitled to receive a retained rate under regulations issued pursuant to this subsection is later demoted to a position under this Act, his rate of basic compensation shall be determined in accordance with section 507 of this Act, except that service in the position which was brought under the Act shall, for purposes of section 507, be considered as service under this Act."

Supervisors of wage board employees, compensation.

(c) Section 803 of the Classification Act of 1949, as amended (5 U.S.C. 1133), is amended to read as follows:

"SEC. 803. Each employee in a position under this Act, who regularly has responsibility for supervision (including supervision over the technical aspects of the work concerned) over employees whose compensation is fixed and adjusted from time to time by wage boards or similar administrative authorities as nearly as is consistent with the public interest in accordance with prevailing rates, may, in accordance with regulations issued by the Commission, be paid at one of the scheduled rates for his grade which is above the highest rate of basic compensation being paid to any such prevailing-rate employee regularly supervised, or at the maximum rate for his grade, as provided for in such regulations."

#### SALARY RETENTION

SEC. 605. Section 507 of the Classification Act of 1949, as amended (72 Stat. 830; 5 U.S.C. 1107), is amended—

(1) by striking out "(other than grade 16, 17, or 18 of the General Schedule)" in paragraph (1) of subsection (a) of such section; and

(2) by striking out "(B) in the same grade or in the same and higher grades;" in paragraph (4) of subsection (a) of such section; and by inserting in lieu thereof "(B) in any grade or grades higher than the grade to which demoted;"

#### TOP GRADE POSITIONS UNDER CLASSIFICATION ACT OF 1949

SEC. 606. (a) Section 505 (b) of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), relating to the limitation on numbers of positions in grades 16, 17, and 18 of the General Schedule of such

Act, is amended by striking out "not to exceed an aggregate of nineteen hundred and eighty-nine" and substituting in lieu thereof "not to exceed an aggregate of twenty-four hundred, in addition to any professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine which may be placed in such grades".

(b) Section 505(j) of such Act is amended by inserting after the word "positions" the following: "(in addition to any professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine which may be placed in such grades)".

Department of  
Defense.  
73 Stat. 700;  
75 Stat. 786.

(c) Section 505 of such Act is further amended by inserting after subsection (j) the following new subsections:

Warden, Bureau  
of Prisons.

"(k) The Attorney General is authorized, without regard to any other provision of this section, to place a total of ten positions of Warden in the Bureau of Prisons in grade 16 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).

"(l) The Attorney General is authorized, without regard to any other provision of this section, to place a total of eight positions of Member of the Board of Parole in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b)."

Member, Board  
of Parole.

#### CONFORMING CHANGES IN EXISTING LAW

SEC. 607. (a) The following provisions of law are hereby repealed:

(1) Section 104 of the Department of Commerce and Related Agencies Appropriation Act, 1956 (69 Stat. 234; 5 U.S.C. 592(d)), authorizing grade 17 of the General Schedule of the Classification Act of 1949 for the position of Budget Officer of the Department of Commerce so long as the position is held by the present incumbent.

Repeals.  
Commerce,  
Budget Officer.

(2) Section 206 of the Public Works Appropriation Act, 1956 (69 Stat. 360; 5 U.S.C. 483-2), authorizing the Secretary of the Interior to place the position of Director, Division of Budget and Finance, in grade 17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent.

Interior, Direc-  
tor, Division of  
Budget and Fi-  
nance.

(3) The second paragraph under the heading "Administrative Provisions" in title III of the Public Works Appropriation Act, 1956 (69 Stat. 364; 10 U.S.C. 1335, note), authorizing the Chief of Engineers to place the position of Chief of the Programs Branch, Office of the Assistant Chief of Engineers for Civil Works, in grade 17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent.

Engineers,  
Chief, Programs  
Branch.

(4) Section 24(d) of the Area Redevelopment Act (75 Stat. 62; 42 U.S.C. 2521(d)), authorizing five positions in grades 16, 17, and 18 of the General Schedule established by the Classification Act of 1949 for agencies performing functions under that Act.

Area Redevelop-  
ment Act, certain  
positions.

(5) The fourth sentence of section 3(a) of the Fish and Wildlife Act of 1956 (70 Stat. 1120; 16 U.S.C. 742b(a)), relating to the annual salary of the Commissioner of Fish and Wildlife in the Department of the Interior, which reads: "He shall receive compensation at the same rate as that provided for grade GS-18."

Fish and Wild-  
life, Commis-  
sioner.

(6) That part of section 207 of the Agricultural Act of 1956 (70 Stat. 200; 7 U.S.C. 1857), relating to the annual salary of an agricultural surplus disposal administrator in the Department of Agriculture, which reads: "at a salary rate of not exceeding \$15,000 per annum,".

Agriculture, sur-  
plus disposal ad-  
ministrator.

Reporting requirement.

(7) Section 1102 of the Classification Act of 1949, as amended (63 Stat. 971; 5 U.S.C. 1073), relating to the submission of reports with respect to the rates of compensation under, and the administration of, such Act.

Bureau of Prisons, certain positions.

(b) The second proviso of the paragraph under the heading "FEDERAL PRISON SYSTEM" and under the subheading "SALARIES AND EXPENSES, BUREAU OF PRISONS" in title II (the Department of Justice Appropriation Act, 1956) of the Departments of State and Justice, the Judiciary, and Related Agencies Appropriations Act, 1956 (69 Stat. 273; Public Law 133, Eighty-fourth Congress; 5 U.S.C. 298a) is amended by striking out "three positions" and inserting in lieu thereof "one position".

Affected positions, transfer to General Schedule.

SEC. 608. (a) Each position specifically referred to in, or covered by, any repeal made by section 607(a) of this title shall be placed in the appropriate grade of the General Schedule of the Classification Act of 1949, as amended, in accordance with the provisions of such Act.

Supergrades.

(b) Positions in grade 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, shall remain, on and after such effective date, in their respective grades, until appropriate action is taken under section 505 of the Classification Act of 1949 as in effect on and after such effective date.

Ante, pp. 848, 849.

#### SAVINGS PROVISIONS

SEC. 609. (a) The changes in existing law made by this title shall not affect any position existing immediately prior to the effective date of any such changes in existing law, the compensation attached to such position, and any incumbent thereof, his appointment thereto, and his entitlement to receive the compensation attached thereto, until appropriate action is taken in accordance with this title.

(b) The incumbent of each such position immediately prior to the effective date of this title shall continue to receive the rate of basic compensation which he was receiving immediately prior to such effective date until he leaves such position or until he is entitled to receive compensation at a higher rate in accordance with law. When such incumbent leaves such position, the rate of basic compensation of each subsequent appointee to such position shall be determined in accordance with the Classification Act of 1949, as amended.

Ante, p. 843.

#### EFFECTIVE DATES

SEC. 610. Except as otherwise expressly provided in this title, the provisions of this title shall become effective on the first day of the first pay period which begins on or after the date of enactment of this Act.

### TITLE III—POSTAL FIELD SERVICE EMPLOYEES

#### SHORT TITLE

Postal Employees Salary Adjustment Act of 1962.

SEC. 701. This title may be cited as the "Postal Employees Salary Adjustment Act of 1962".

#### POSTAL FIELD SERVICE SCHEDULES

SEC. 702. Subsection (a) of section 3542 of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal

Ante, p. 443.

*Infra.*

Each increase in basic salary because of change in gross receipts shall be deemed the equivalent of a step-increase under section 3552 of this title and the waiting period, for purposes of advancement to the next step, shall begin on the date of adjustment."

74 Stat. 649.

SEC. 705. Section 3552 of title 39, United States Code, is amended to read as follows:

**"§ 3552. Automatic advancement by step increases**

"(a) (1) Each employee in levels 1 through 6 of the Postal Field Service Schedule, each employee subject to the Rural Carrier Schedule, and each employee subject to the Fourth Class Office Schedule, who has not reached the highest step for his position, shall be advanced successively to the next higher step as follows:

"(A) To steps 2, 3, 4, 5, 6, and 7—at the beginning of the first pay period following the completion of fifty-two calendar weeks of satisfactory service; and

"(B) To steps 8 and above—at the beginning of the first pay period following the completion of one hundred and fifty-six calendar weeks of satisfactory service.

"(2) Each employee in the postal field service in level 7 or above of the Postal Field Service Schedule, who has not reached the highest step for his position, shall be advanced successively to the next higher step, as follows:

"(A) To steps 2, 3, and 4—at the beginning of the first pay period following the completion of fifty-two calendar weeks of satisfactory service;

"(B) To steps 5, 6, and 7—at the beginning of the first pay period following the completion of one hundred and four calendar weeks of satisfactory service; and

"(C) To steps 8 and above—at the beginning of the first pay period following the completion of one hundred and fifty-six calendar weeks of satisfactory service.

"(3) The receipt of an equivalent increase during any of the waiting periods specified in this subsection shall cause a new full waiting period to commence for further step-increases.

*Ante*, p. 850.

"(b) Any increase in basic compensation granted by law on or after the date of enactment of the Postal Employees Salary Adjustment Act of 1962, to employees in the postal field service shall not be deemed to be an equivalent increase in basic compensation within the meaning of subsection (a) of this section.

"(c) The benefit of successive step-increases shall be preserved, under regulations prescribed by the Postmaster General, for employees whose continuous service is interrupted by service in the armed services."

74 Stat. 649.

SEC. 706. Section 3554 of title 39, United States Code, is amended to read as follows:

**"§ 3554. Compensation of certain temporary employees**

"Temporary employees hired for a continuous period of one year or less for a position in the postal field service shall be paid basic compensation at the entrance step of the position to which they are appointed."

74 Stat. 651.

SEC. 707. Section 3559 of title 39, United States Code, is amended to read as follows:

**"§ 3559. Promotions**

"An employee who is promoted to a position in the Postal Field Service Schedule which is not more than two salary levels above the salary level of the position from which promoted shall be paid basic compensation at the lowest step of the higher salary level which exceeds his existing basic compensation by not less than two steps of

the salary level from which promoted. An employee who is promoted to a position in the Postal Field Service Schedule which is more than two salary levels above the level of the position from which promoted shall be paid basic compensation at the lowest step of the higher salary level which exceeds his existing basic compensation by not less than three steps of the salary level from which promoted. If there is no step in the salary level to which the employee is promoted which exceeds his existing basic compensation by at least the amount of the specified difference, the employee shall be paid the rate for the maximum step of the salary level to which promoted, or his existing basic compensation, whichever is higher."

SEC. 708. Subsection (a)(4) of section 6402 of title 39, United States Code, is amended to read as follows:

"(4) delivery and collection service may not be established or extended under a star route contract on a rural route except when such rural route does not meet the minimum standards established by the Postmaster General, and becomes vacant; and".

SEC. 709. Section 3101 of title 39, United States Code, is amended by deleting paragraphs (5) and (6), and inserting in lieu thereof, the following:

"(5) 'basic salary' and 'basic compensation' mean the rate of annual or hourly compensation specified by law, exclusive of overtime and night differential."

SEC. 710. Subsection 3541(d) of title 39, United States Code, is amended by (a) inserting in paragraph (3) thereof, after "rural carriers," the phrase "(other than substitute rural carriers,)" and (b) adding a new paragraph (5) as follows:

"(5) To compute the daily rate of basic compensation for substitute rural carriers, the annual rate of compensation shall be divided by 304."

CONVERSION AS OF THE FIRST PAY PERIOD BEGINNING ON OR AFTER THE DATE OF ENACTMENT OF THIS ACT

SEC. 711. (a) The basic compensation of each employee subject to Postal Field Service Schedule I or Rural Carrier Schedule I, as the case may be, on the effective date of such schedule shall be determined as follows:

(1) Each employee shall be assigned to the same numerical level and step he was in prior to the effective date of such schedule, except that employees in the first four levels of the Postal Field Service Schedule and employees (except employees subject to section 3543(j) of title 39, United States Code) in the Rural Carrier Schedule shall be advanced as follows: Employees in step 1 to step 2 of the new schedule; step 2 to step 3; step 3 to step 4; step 4 to step 5; step 5 to step 6; step 6 to step 7; step 7 to step 8. If changes in level or step would otherwise occur on the effective date of such schedule without regard to the enactment of such schedule, such changes shall be deemed to have occurred prior to conversion under this paragraph.

(2) In addition to conversion under paragraph (1) of this subsection, each employee shall be advanced one additional step for each longevity step which he had earned on or prior to such conversion.

(3) Credit toward the next step-increase (other than toward longevity steps) earned by an employee who had not reached step 7 or who is not advanced to step 7 under paragraph (1) prior to the effective date of such schedule shall be creditable under subsection 3552(a) and section 3553 of title 39, United States

Star route contract.  
74 Stat. 696.

Definitions.  
74 Stat. 607.

Compensation.  
74 Stat. 644.

Ante, pp. 851, 852.

Ante, p. 852.

Ante, p. 854.  
74 Stat. 649.

Code, toward further step-increases if no step-increases were granted pursuant to paragraph (2) of this subsection. Credit earned toward longevity step-increases prior to the effective date of such schedule shall not be creditable toward further step-increases pursuant to subsection 3552(a), and section 3553 of title 39, United States Code.

*Ante*, p. 854.  
74 Stat. 649.

(b) The basic compensation of each postmaster subject to the Fourth Class Office Schedule I on the effective date of such schedule shall be determined as follows:

*Ante*, p. 853.

(1) Each postmaster shall be assigned to the same receipts category and numerical step he was in prior to the effective date of such schedule. If changes in receipts category or step would otherwise occur on the effective date of such schedule without regard to the enactment of such schedule, such changes in receipts category or step shall be deemed to have occurred prior to conversion.

(2) Postmasters who, as of the effective date of this schedule, have not reached step 7, shall retain credit for advancement to the next step under section 3552(a) and section 3553 of title 39, United States Code, if no step-increases are granted pursuant to paragraph 3 of this subsection. Credit earned toward longevity step-increases prior to the effective date of such schedule shall not be creditable toward further step-increases under section 3552(a) and section 3553 of title 39, United States Code.

(3) For each longevity step earned on or prior to the effective date of such schedule postmasters shall be advanced one step.

39 USC 3542-3544.

(c) If the existing basic compensation of any employee subject to the Postal Field Service Schedule, Rural Carrier Schedule, or Fourth Class Office Schedule, as the case may be, is greater than the rate established by subsection (a) or (b) of this section, he shall be placed in the first step of such schedule which exceeds his existing basic compensation; if the existing basic compensation is greater than any numerical step, his existing basic compensation shall be established as his basic compensation.

#### CONVERSION AS OF THE FIRST PAY PERIOD BEGINNING ON OR AFTER JANUARY 1, 1964

*Ante*, pp. 851-853.

SEC. 712. The basic compensation of each employee subject to the Postal Field Service Schedule II, Rural Carrier Schedule II, or Fourth Class Office Schedule II, as the case may be, on the effective date of such schedule shall be determined as follows:

(1) Each employee shall be assigned to the same numerical step for his position which he had attained prior to the effective date of such schedule. If changes in levels, receipts categories, or steps would otherwise occur on the effective date of such schedule without regard to enactment of such schedule, such changes shall be deemed to have occurred prior to conversion.

(2) If existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this section, the employee shall be placed in the lowest step which exceeds his basic compensation; if the existing basic compensation exceeds the maximum step of his position, his existing basic compensation shall be established as his basic compensation.

74 Stat. 584, 585;  
*Ante*, p. 835.

75 Stat. 569;  
*Post*, p. 857.

SEC. 713. Subject to sections 711(c) and 712(2) of this title, rates of compensation fixed by reason of section 3560 of title 39, United States Code, shall not be increased by this title, notwithstanding any provision of such section to the contrary.



## BASIC SALARY IN CASES OF ASSIGNMENTS OF POSTAL EMPLOYEES

SEC. 714. (a) Section 3335(b) of title 39, United States Code, is amended by adding at the end thereof the following sentence: "The Postmaster General may pay, as he deems advisable, in cases of such assignments, a basic salary computed in accordance with the provisions of such section 3559 without regard to the requirement in this subsection of assignment for more than thirty days in a calendar year."

74 Stat. 612.

*Ante*, p. 854.

(b) Each payment of an increase in basic salary which was made prior to the date of enactment of this section for services performed for periods of thirty days or less in any calendar year in the course of an assignment referred to in section 3335(b) of title 39, United States Code, by a postal field service employee assigned to duties and responsibilities of a higher salary level, and which would have been authorized by such section 3335(b), if such services had been performed in the course of such assignment after the completion by such employee of thirty days of service in any calendar year in such higher salary level, are hereby validated to the same extent as if such services had been performed after the completion of thirty days of service in any calendar year in the course of such assignment. Payments of increases validated by this subsection shall be considered as basic salary for the purposes of the Civil Service Retirement Act (5 U.S.C. 2251-2267).

70 Stat. 743.

## SALARY PROTECTION REVISION

SEC. 715. (a) Section 3560(a)(1) of title 39, United States Code, is amended to read as follows:

75 Stat. 569.

"(1) basic salary and salary level, with respect to the Postal Field Service Schedule."

(b) Section 3560(b)(4) of title 39, United States Code, is amended to read as follows:

"(4) who, for two continuous years immediately prior to such reduction in salary standing, served in the postal field service with any salary standing higher than the salary standing to which he is reduced; and "

(c) Section 3560(c) of title 39, United States Code, is amended—

(1) by striking out the period at the end of paragraph (B) and inserting "; or" in lieu of such period, and

(2) by adding at the end of such section 3560(c) the following paragraph:

"(C) the amount of the rate in the lowest salary standing which such employee held during the two years immediately preceding such reduction in salary standing augmented by each step increase which he would have earned in such salary standing and by each increase provided by law in such salary rate."

(d) (1) Subject to paragraph (2) of this section, the amendments made by this section to sections 3560(a)(1), 3560(b)(4), and 3560(c) of title 39, United States Code, shall apply only with respect to reductions in salary standing occurring on or after the date of enactment of this Act.

(2) Payments not authorized by section 3560 of title 39, United States Code, which were made prior to the date of enactment of this Act to employees in the postal field service in connection with reductions in salary standing and which would have been authorized under such section 3560 if the amendments made by this section to subsections (b)(4) and (c) of such section 3560 had been in effect at the time such payments were made, are hereby validated to the same extent as if such amendments had been in effect at such time.

## RULES FOR SPECIAL COMPENSATION

39 USC 3101,  
3103-3105, 3111-  
3116.

SEC. 716. Chapter 41 of title 39, United States Code, is amended by adding immediately following section 3105 a new section 3106 as follows:

**“§ 3106. Special compensation rules**

74 Stat. 645-647.

“In order that the basic compensation schedules in sections 3542, 3543, and 3544 of this title may be used equitably and with maximum effect to attract and motivate employees, the Postmaster General may prescribe regulations pursuant to which he may, within the limit of available appropriations, grant to any officer or employee before the expiration of the periods prescribed by section 3552, step-increases in recognition of extra competence: *Provided*, That no officer or employee shall be eligible under this section for more than one such additional step-increase within any period of fifty-two weeks, and such increase shall not be considered to be an equivalent increase.”

*Ante*, p. 854.

## PERSONNEL REQUIREMENTS

74 Stat. 609;  
75 Stat. 795:

SEC. 717. (a) Section 3301 of title 39, United States Code, is amended to read as follows:

**“§ 3301. Personnel requirements**

“The Postmaster General shall determine the personnel requirements of the postal field service, and fix the number of supervisors and other employees in that service, except that there may not be at any one time more than one assistant postmaster employed at any post office or a total of 70 employees assigned to salary levels 18, 19, and 20 in the postal field service.”

5 USC 43 note.

(b) Section 1310(a) of the Act of November 1, 1951 (65 Stat. 757), as amended, which fixes a ceiling on permanent employees in the Federal Government, is amended by inserting after the word “*Provided*,” the following: “That increases in the number of permanent personnel in the Postal Field Service not exceeding 10 per centum above the total number of its permanent employees on September 1, 1950, shall not be chargeable to this limitation: *And provided further*.”

## CONFORMING AMENDMENT

39 USC 3101.

SEC. 718. (a) The table of contents of chapter 41 of title 39, United States Code, is amended by adding after the heading entitled “EMPLOYEES GENERALLY”, the following:

“3106. Special compensation rules”.

39 USC 3501.

(b) The table of contents of chapter 45 of title 39, United States Code, is amended by deleting  
“3558. Longevity step-increases”.

## REPEALS

74 Stat. 296-298.  
74 Stat. 650.

SEC. 719. Sections 101 through 105 of the Act of July 1, 1960 (74 Stat. 296, Public Law 86-568), and section 3558 of title 39, United States Code, are repealed.

## EFFECTIVE DATES

SEC. 720. Except as otherwise expressly provided in this title, the provisions of this title shall become effective on the first day of the first pay period which begins on or after the date of enactment of this Act, except that section 712 (conversion rules for second postal field service salary increases) shall become effective on the first day of the first pay period which begins on or after January 1, 1964.

TITLE IV—DEPARTMENT OF MEDICINE AND SURGERY IN THE VETERANS' ADMINISTRATION

SEC. 801. (a) Section 4103 of title 38 of the United States Code, relating to the appointment and annual salaries of the Chief Medical Director and certain other officers of the Department of Medicine and Surgery of the Veterans' Administration, is amended by striking out the words "not to exceed eight Assistant Chief Medical Directors" in subsection (a) and inserting in lieu thereof the words "not to exceed five Assistant Chief Medical Directors, such Medical Directors as may be designated to suit the needs of the Department,".

72 Stat. 1243;  
74 Stat. 300.

(b) Such section is further amended by striking out subsections (d) to (i), inclusive, and inserting in lieu thereof the following:

"(d) Each Assistant Chief Medical Director shall be appointed by the Administrator upon the recommendation of the Chief Medical Director and shall be paid a salary of \$20,000 a year.

"One Assistant Chief Medical Director shall be a qualified doctor of dental surgery or dental medicine who shall be directly responsible to the Chief Medical Director for the operations of the Dental Service.

"(e) Medical Directors, during their period of service as such, shall be paid a salary of \$18,500 minimum to \$19,500 maximum a year.

"(f) The Director of Nursing Service shall be a qualified registered nurse, appointed by the Administrator, and shall be responsible to the Chief Medical Director for the operation of the Nursing Service. During the period of service as such, the Director of Nursing Service shall be paid, effective on the first day of the first pay period beginning on or after—

"the date of enactment of the Federal Salary Reform Act of 1962, a salary of \$14,565 minimum to \$17,925 maximum a year;

Ante, p. 841.

"January 1, 1964, a salary of \$15,665 minimum to \$19,270 maximum a year.

"(g) The Administrator may appoint a chief pharmacist and a chief dietitian. During the period of his service as such, the chief pharmacist and the chief dietitian shall be paid, effective on the first day of the first pay period beginning on or after—

"the date of enactment of the Federal Salary Reform Act of 1962, a salary of \$14,565 minimum to \$17,925 maximum a year;

"January 1, 1964, a salary of \$15,665 minimum to \$19,270 maximum a year.

"(h) Except as provided in subsection (j), any appointment under this section shall be for a period of four years but persons so appointed shall be subject to removal by the Administrator for cause.

"(i) Reappointments may be made for successive like periods.

"(j) The Administrator may designate a member of the Chaplain Service of the Veterans' Administration as Director, Chaplain Service, for a period of two years, subject to removal by the Administrator for cause. During the period that any such member serves as Director, Chaplain Service, he shall be paid a salary, as determined by the Administrator, within the minimum and maximum salary limitations prescribed for grade GS-15 positions by the Classification Act of 1949, as amended. Redesignations under this subsection may be made for successive like periods. An individual designated as Director, Chaplain Service, shall at the end of his period of service as Director revert to the position, grade, and status which he held immediately prior to being designated Director, Chaplain Service, and all service as Director, Chaplain Service, shall be creditable as service in the former position."

Ante, p. 843.

## PHYSICIANS, DENTISTS, AND NURSES

72 Stat. 1245;  
74 Stat. 301.

SEC. 802. Section 4107 of such title 38 relating to the minimum and maximum rates of annual salary of certain physicians, dentists, and nurses of the Department of Medicine and Surgery of the Veterans' Administration is amended to read as follows:

**"§ 4107. Grades and pay scales**

*Ante*, p. 841.  
72 Stat. 1244.

"(a) (1) Effective on the first day of the first pay period beginning on or after the date of enactment of the Federal Salary Reform Act of 1962, the grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

**"PHYSICIAN AND DENTIST SCHEDULE**

- "Director grade, \$16,000 minimum to \$19,000 maximum.
- "Executive grade, \$15,250 minimum to \$18,750 maximum.
- "Chief grade, \$14,565 minimum to \$18,405 maximum.
- "Senior grade, \$12,845 minimum to \$16,245 maximum.
- "Intermediate grade, \$11,150 minimum to \$14,070 maximum.
- "Full grade, \$9,475 minimum to \$11,995 maximum.
- "Associate grade, \$8,045 minimum to \$10,165 maximum.

**"NURSE SCHEDULE**

- "Assistant Director grade, \$12,845 minimum to \$16,245 maximum.
  - "Chief grade, \$11,150 minimum to \$14,070 maximum.
  - "Senior grade, \$9,475 minimum to \$11,995 maximum.
  - "Intermediate grade, \$8,045 minimum to \$10,165 maximum.
  - "Full grade, \$6,675 minimum to \$8,700 maximum.
  - "Associate grade, \$5,820 minimum to \$7,575 maximum.
  - "Junior grade, \$5,035 minimum to \$6,565 maximum.
- "(2) Effective on the first day of the first pay period beginning on or after January 1, 1964, the per annum full pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

**"PHYSICIAN AND DENTIST SCHEDULE**

- "Chief grade, \$15,665 minimum to \$19,785 maximum.
- "Senior grade, \$13,615 minimum to \$17,215 maximum.
- "Intermediate grade, \$11,725 minimum to \$14,805 maximum.
- "Full grade, \$9,980 minimum to \$12,620 maximum.
- "Associate grade, \$8,410 minimum to \$10,650 maximum.

**"NURSE SCHEDULE**

- "Assistant director grade, \$13,615 minimum to \$17,215 maximum.
  - "Chief grade, \$11,725 minimum to \$14,805 maximum.
  - "Senior grade, \$9,980 minimum to \$12,620 maximum.
  - "Intermediate grade, \$8,410 minimum to \$10,650 maximum.
  - "Full grade, \$7,030 minimum to \$9,100 maximum.
  - "Associate grade, \$6,090 minimum to \$7,890 maximum.
  - "Junior grade, \$5,235 minimum to \$6,810 maximum.
- "(b) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or the position of clinic director at an outpatient clinic, or comparable position."

72 Stat. 1246.

SEC. 803. (a) Section 4108 of such title 38 which formerly prescribed the maximum amount of pay and allowances for medical, surgical,

by the Secretary of State: *Provided*, That staff officers and employees shall be transferred to the new staff classes established by this Act as follows:

| Present class under section 415 of the Foreign Service Act of 1946 | Corresponding new class under section 415 of the Foreign Service Act of 1946, as amended |
|--|--|
| FSS- 1-----  | FSS- 1   |
| FSS- 2-----  | FSS- 1   |
| FSS- 3-----  | FSS- 2   |
| FSS- 4-----  | FSS- 2   |
| FSS- 5-----  | FSS- 3   |
| FSS- 6-----  | FSS- 3   |
| FSS- 7-----  | FSS- 4   |
| FSS- 8-----  | FSS- 5   |
| FSS- 9-----  | FSS- 6   |
| FSS-10-----  | FSS- 7   |
| FSS-11-----  | FSS- 8   |
| FSS-12-----  | FSS- 9   |
| FSS-13-----  | FSS-10   |
| FSS-14 and below-----  | ( <sup>1</sup> )   |

<sup>1</sup> Remain at present class and salary rate until revised pursuant to new section 415(b).

CONFORMING AMENDMENTS

SEC. 905. The heading of section 642 of the Foreign Service Act of 1946 is amended by deleting the words “and longevity” and section 642 is amended by deleting “(a)” in the first paragraph and by deleting subsection (b) in its entirety.

74 Stat. 837.  
22 USC 1017.

EFFECTIVE DATE

SEC. 906. Except as otherwise expressly provided in this title, this title shall become effective on the first day of the first pay period which begins on or after the date of enactment of this Act.

TITLE VI—MISCELLANEOUS SALARY PROVISIONS

REVISION OF SALARY LIMITATIONS FOR CERTAIN SCIENTIFIC AND PROFESSIONAL POSITIONS

SEC. 1001. (a) (1) Section 2(b) of the Act of August 1, 1947 (Public Law 313, Eightieth Congress, as amended (75 Stat. 789; 5 U.S.C. 1161–1163)), relating to the rates of compensation of certain scientific or professional positions, is amended to read as follows:

“(b) The per annum rates of compensation for positions established pursuant to the provisions of this Act shall not be less than the minimum rate of grade 16 of the General Schedule of the Classification Act of 1949, as amended, nor more than the highest rate of grade 18 of the General Schedule of such Act and shall be subject to the approval of the United States Civil Service Commission.”

Ante, p. 843.

(2) The first section of such Act is amended by adding at the end thereof the following new subsection:

“(g) the Librarian of Congress is authorized to establish and fix the compensation for not more than eight scientific or professional positions in the Library of Congress, each such position being established to carry out research and development functions of the Library which require the services of specially qualified personnel. Section 2(a) shall not apply to positions established under this subsection.”

75 Stat. 789.  
5 USC 1161.

(b) Section 1581(b) of title 10 of the United States Code, relating to the rates of compensation of certain scientific or professional positions in the Department of Defense, is amended to read as follows:

70A Stat. 118.

“(b) Subject to the Civil Service Commission’s approval as to rates, the Secretary may fix the compensation for positions established under

subsection (a). However, the per annum compensation may not be less than the minimum rate of grade 16 of the General Schedule of the Classification Act of 1949, as amended, nor more than the highest rate of grade 18 of the General Schedule of such Act.”

*Ante*, p. 843.

50 USC 402  
note.

(c) Section 4 of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36), as amended by section 204 of the Act of October 4, 1961 (75 Stat. 791; Public Law 87-367), authorizing scientific and professional positions in the National Security Agency, is amended by striking out “, as amended by paragraph (34) (B) of the first section of the Act of September 2, 1958 (72 Stat. 1456; Public Law 85-861)”.

10 USC 1581.

64 Stat. 447.

(d) The proviso contained in the first sentence of section 208(g) of the Public Health Service Act, as amended (42 U.S.C. 210(g)), relating to the rates of compensation of certain scientific, professional, and administrative personnel in the Public Health Service, is amended to read as follows: “: *Provided*, That the rates of compensation for positions established pursuant to the provisions of this subsection shall not be less than the minimum rate of grade 16 of the General Schedule of the Classification Act of 1949, as amended, nor more than the highest rate of grade 18 of the General Schedule of such Act, and shall be subject to the approval of the Civil Service Commission.”

*Ante*, p. 843.

(e) The proviso contained in the second sentence of section 12 of the Act of May 29, 1884 (62 Stat. 198 as amended and supplemented; 21 U.S.C. 113a), authorizing the Secretary of Agriculture to employ and fix the compensation of technical experts and scientists for research and study of foot-and-mouth disease and other animal diseases, is amended to read as follows: “: *Provided*, That the number so employed shall not exceed five and that the maximum compensation for each shall not exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended.”

75 Stat. 791.

(f) Section 203(b) (2) of the National Aeronautics and Space Act of 1958 (72 Stat. 429; 42 U.S.C. 2473(b) (2)), as amended, authorizing the Administrator of the National Aeronautics and Space Administration to establish and fix the compensation of four hundred and twenty-five scientific, engineering, and administrative positions, is amended by striking out, in the second sentence, “, except that (A) to the extent the Administrator deems such action necessary to the discharge of his responsibilities, he may appoint and fix the compensation (up to a limit of \$19,000 a year, or up to a limit of \$21,000 a year for a maximum of thirty positions) of” and by inserting in lieu thereof “, except that (A) to the extent the Administrator deems such action necessary to the discharge of his responsibilities, he may appoint and fix the compensation (at not to exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended, or, for a maximum of thirty positions, not to exceed \$21,000 a year) of”.

68 Stat. 948.

(g) That part of the proviso in section 161d. of the Atomic Energy Act of 1954, as amended (71 Stat. 613; 42 U.S.C. 2201), fixing a limit of \$19,000 on the compensation of scientific and technical personnel, is amended by striking out the words “up to a limit of \$19,000)” and inserting in lieu thereof “up to a limit of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended)”.

75 Stat. 791.

(h) Section 302(f) of the Federal Aviation Act of 1958 (72 Stat. 746; 49 U.S.C. 1343(d)), as amended, authorizing the Administrator of the Federal Aviation Agency to select, employ, and fix the compensation of 23 positions at rates not to exceed \$19,500 per annum, is amended by striking out “\$19,500 per annum” and inserting in lieu thereof “the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended”.

(i) Section 2 of the Act of June 14, 1948, as amended (62 Stat. 441; 66 Stat. 43; 22 U.S.C. 290a), relating to the compensation of the United States representative and alternate on the Executive Board of the World Health Organization, is amended by striking out "Such representative shall be entitled to receive compensation at a rate not to exceed \$12,000 per annum and any such alternate shall be entitled to receive compensation at a rate not to exceed \$10,000 per annum", and inserting in lieu thereof "Such representative and any such alternate shall each be entitled to receive compensation at one of the rates provided by section 412 of the Foreign Service Act of 1946, as amended,".

Ante, p. 861.

(j) Section 104(b) of the Mutual Educational and Cultural Exchange Act of 1961 (75 Stat. 530; Public Law 87-256) authorizing the fixing of the compensation of not to exceed ten employees without regard to the Classification Act of 1949, is amended to read as follows:

22 USC 2454.

63 Stat. 954.  
5 USC 1071  
note.

"(b) The President is authorized to employ such other personnel as he deems necessary to carry out the provisions and purposes of this Act, and of such personnel not to exceed ten may be compensated without regard to the provisions of the Classification Act of 1949, as amended, but not in excess of the highest rate of grade 18 of the general schedule established by such Act. Such positions shall be in addition to the number authorized by section 505 of the Classification Act of 1949, as amended."

5 USC 1105.

(k) (1) Section 625(b) of the Foreign Assistance Act of 1961 (75 Stat. 449; Public Law 87-195), as amended, is amended by striking out "and of these, not to exceed eight may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of \$19,000 per year" and inserting in lieu thereof "but not in excess of the highest rate of grade 18 of such general schedule".

22 USC 2385.

(2) Section 625(c) of such Act is amended by striking out "and of these, not to exceed three may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of \$19,000 per year" and inserting in lieu thereof "but not in excess of the highest rate of grade 18 of such general schedule".

(l) Section 7(b) of the Peace Corps Act (75 Stat. 615; Public Law 87-293) is amended by striking out "and of these not to exceed two may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of \$19,000 per year" and inserting in lieu thereof "but not in excess of the highest rate of grade 18 of such general schedule".

22 USC 2506.

#### AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES

SEC. 1002. The rates of compensation of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by title II of this part for corresponding rates of compensation in the appropriate schedule or scale of pay.

Ante, p. 843.

#### ASSISTANT UNITED STATES ATTORNEYS

SEC. 1003. (a) The last paragraph of section 508 of title 28 of the United States Code is amended to read as follows:

69 Stat. 10.

"Assistant United States attorneys and attorneys appointed under section 503 of this title—not more than \$17,500."

(b) The rates of basic compensation of assistant United States attorneys whose basic salaries are fixed by section 508 of title 28, United States Code, shall be increased by  $7\frac{1}{2}$  per centum effective on the first day of the first pay period which begins on or after the date of enactment of this Act.

#### EMPLOYEES IN THE JUDICIAL BRANCH

SEC. 1004. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a) (2)), section 3656 of title 18 of the United States Code, the third sentence of section 603, section 604(a) (5), or section 672 to 675 inclusive, of title 28 of the United States Code, or section 107(a) (6) of the Act of July 31, 1956, as amended (5 U.S.C. 2206(a) (6)), are hereby increased by two amounts, the first amount to be effective for the period beginning as of the first day of the first pay period which begins on or after the date of enactment of this Act, and ending immediately prior to the first day of the first pay period which begins on or after January 1, 1964, and the second amount to be effective on the first day of the first pay period which begins on or after January 1, 1964, and thereafter, which reflect the respective applicable increases provided by title II of this part in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended.

(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by two amounts, the first amount to be effective for the period beginning as of the first day of the first pay period which begins on or after the date of enactment of this Act, and ending immediately prior to the first day of the first pay period which begins on or after January 1, 1964, and the second amount to be effective on the first day of the first pay period which begins on or after January 1, 1964, and thereafter, which reflect the respective applicable increases provided by title II of this part in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended.

(c) Section 753(e) of title 28 of the United States Code (relating to the compensation of court reporters for district courts) is amended by striking out the existing salary limitation contained therein and inserting a new limitation to be effective for the period beginning as of the first day of the first pay period which begins on or after the date of enactment of this Act, and ending immediately prior to the first day of the first pay period which begins on or after January 1, 1964, and a second new limitation effective on the first day of the first pay period which begins on or after January 1, 1964, and thereafter, which reflect the respective applicable increases provided by title II of this part in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended.

#### EMPLOYEES IN THE LEGISLATIVE BRANCH

SEC. 1005. (a) Each officer and employee in or under the legislative branch of the Government whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 7 per centum of his

60 Stat. 329.

70 Stat. 739.

Anfo, p. 843.

63 Stat. 954.  
5 USC 1091  
note.

62 Stat. 922;  
74 Stat. 303.



gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The basic compensation of each employee in the office of a Senator is hereby adjusted, effective on October 16, 1962, to the lowest multiple of \$60 which will provide a gross rate of compensation not less than the gross rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased such notice shall be deemed to have been given.

(c) Notwithstanding the provision referred to in subsection (d), the rates of gross compensation of the elected officers of the Senate (except the Presiding Officer of the Senate), the Legislative Counsel of the Senate, the Official Reporters of Debates of the Senate, the Parliamentarian of the Senate, the Senior Counsel in the Office of the Legislative Counsel of the Senate, and the Chief Clerk of the Senate are hereby increased by 7 per centum.

(d) The paragraph imposing limitations on basic and gross compensation of officers and employees of the Senate appearing under the heading "SENATE" in the Legislative Appropriation Act, 1956, as amended (74 Stat. 304; Public Law 86-568), is amended to read as follows:

"No officer or employee whose compensation is disbursed by the Secretary of the Senate shall be paid basic compensation at a rate in excess of \$8,880 per annum, or gross compensation at a rate in excess of \$18,880 per annum, unless expressly authorized by law."

(e) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 7 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (a) of this section shall not apply to employees whose compensation is subject to such limitation.

(f) Each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased automatically, or is not permitted to be increased administratively, by reason of any other provision of this section, shall receive additional compensation at the rate of 7 per centum of the rate of his total annual compensation in effect immediately prior to the effective date of this section.

(g) The limitations on gross rate per thousand and gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the House of Representatives are hereby increased by 7 per centum. The amount of each such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

(h) The additional compensation provided by this section shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act (5 U.S.C. 2251 and the following).

(i) Notwithstanding any other provision of this section, no rate of compensation which exceeds \$21,500 shall be increased by this section, and no increase provided by this section shall cause the gross rate of compensation (basic plus additional compensation authorized by law) or the total annual compensation of any officer or employee to exceed \$21,500.

(j) Insofar as the provisions of this section apply to officers and employees whose compensation is based on a monthly pay period which begins on the first day of the month, such provisions shall become effective on October 16, 1962.

#### SAVING PROVISION

SEC. 1006. Notwithstanding any provision of this Act, no rate of basic, gross, or total annual compensation or salary shall be reduced by reason of the enactment of this Act.

#### ABSORPTION OF COSTS

SEC. 1007. (a) The departments, agencies, establishments, and corporations in the executive branch shall absorb the costs of the increases in basic compensation provided by this Act to the fullest extent possible without seriously affecting the immediate execution of essential functions.

(b) No request for additional or supplemental appropriations to meet the increases in basic compensation provided by this Act shall be transmitted to the Congress unless it is accompanied by a certification of the Director of the Bureau of the Budget that the amounts requested are necessary to provide for the continued execution of essential functions of the department, agency, or corporation concerned.

(c) Pursuant to the objective of this section, heads of the executive branch activities concerned are directed to review with meticulous care each vacancy resulting from voluntary resignation, retirement, or death and to determine whether the duties of the position can be reassigned to other employees or whether the position can be abolished without seriously affecting the execution of essential functions.

(d) Nothing contained in subsection (a) of this section shall be held or considered to require (1) the separation from the service of any individual by reduction in force or other personnel action or (2) the placing of any individual in a leave-without-pay status.

#### EFFECTIVE DATE

SEC. 1008. Except as otherwise expressly provided, this title shall become effective on the first day of the first pay period which begins on or after the date of enactment of this Act.

#### CEILING PROVISION

SEC. 1009. Except as provided in section 1005, no rate of compensation which exceeds \$20,000 per annum shall be increased or established by or pursuant to this Act and no increase made by or pursuant to this Act shall cause any rate of compensation to exceed \$20,000 per annum.

### PART III—ADJUSTMENT OF ANNUITIES

SEC. 1101. (a) The annuity of each person who, on the effective date of this section, is receiving or entitled to receive an annuity from the civil service retirement and disability fund shall be increased by 5 per centum of the amount of such annuity.

(b) The annuity of each person who receives or is entitled to receive an annuity from the civil service retirement and disability fund commencing during the period which begins on the day following the effective date of this section and ends five years after such date, shall be increased in accordance with the following table:

| If the annuity commences between—           | The annuity shall be increased by— |
|---|------------------------------------|
| January 2, 1963, and December 31, 1963----- | 4 per centum                       |
| January 1, 1964, and December 31, 1964----- | 3 per centum                       |
| January 1, 1965, and December 31, 1965----- | 2 per centum                       |
| January 1, 1966, and December 31, 1966----- | 1 per centum                       |

(c) In lieu of any other increase provided by this section, the annuity of a survivor of a retired employee or Member of Congress who received an increase under this section shall be increased by a percentage equal to the percentage by which the annuity of such employee or Member was so increased.

(d) No increase provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

(e) The limitation reading "or (3) the sum necessary to increase such annuity, exclusive of annuity purchased by voluntary contributions under the second paragraph of section 10 of this Act, to \$2,160" contained in section 8(c)(1) of the Civil Service Retirement Act of May 29, 1930, as amended by the Acts of July 16, 1952 (66 Stat. 722; Public Law 555, Eighty-second Congress), and August 31, 1954 (68 Stat. 1043; Public Law 747, Eighty-third Congress), shall not be effective on or after the effective date of this section.

5 USC 736c.

(f) The limitation contained in the next to the last sentence of section 8(d)(1) of the Civil Service Retirement Act of May 29, 1930, as amended, as enacted by the Act of August 11, 1955 (69 Stat. 692; Public Law 369, Eighty-fourth Congress), shall not be effective on and after the effective date of this section.

5 USC 736c.

(g) The increases provided by this section shall take effect on the effective date of this section, except that any increase under subsection (b) or (c) shall take effect on the beginning date of the annuity.

(h) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar.

SEC. 1102. (a) Section 1 of the Civil Service Retirement Act is amended by adding at the end thereof the following new subsection:

70 Stat. 743.  
5 USC 2251.

"(t) The term 'price index' shall mean the annual average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics."

(b) Such Act is further amended by redesignating section 18 as 19, and by inserting after section 17 the following new section:

5 USC 2251  
note.

#### "COST-OF-LIVING ADJUSTMENT OF ANNUITIES

"SEC. 18. (a) After January 1, 1964, and after each succeeding January 1, the Commission shall determine the per centum change in the price index from the later of 1962 or the year preceding the most recent cost-of-living adjustment to the latest complete year. On the basis of such Commission determination, the following adjustments shall be made:

"(1) Effective April 1, 1964, if the change in the price index from 1962 to 1963 shall have equaled a rise of at least 3 per centum, each annuity payable from the fund which has a commencing date earlier than January 2, 1963, shall be increased by the per centum rise in the price index adjusted to the nearest one-tenth of 1 per centum.

"(2) Effective April 1 of any year other than 1964 after the price index change shall have equaled a rise of at least 3 per centum, each annuity payable from the fund which has a commencing date earlier than January 2 of the preceding year shall be increased by the per centum rise in the price index adjusted to the nearest one-tenth of 1 per centum.

"(b) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the fund as of the effective date of an increase, except as follows:

"(1) Effective from the date of the first increase under this section, an annuity payable from the fund to an annuitant's survivor (other than a child entitled under section 10(d)), which annuity commenced the day after the annuitant's death, shall be increased as provided in subsection (a) (1) or (a) (2) if the commencing date of annuity to the annuitant was earlier than January 2 of the year preceding the first increase.

"(2) Effective from its commencing date, an annuity payable from the fund to an annuitant's survivor (other than a child entitled under section 10(d)), which annuity commences the day after the annuitant's death and after the effective date of the first increase under this section, shall be increased by the total per centum increase the annuitant was receiving under this section at death.

"(3) For purposes of computing an annuity which commences after the effective date of the first increase under this section to a child under section 10(d), the items \$600, \$720, \$1,800, and \$2,160 appearing in section 10(d) shall be increased by the total per centum increase allowed and in force under this section, and, in case of a deceased annuitant, the items 40 per centum and 50 per centum appearing in section 10(d) shall be increased by the total per centum increase allowed and in force under this section to the annuitant at death. Effective from the date of the first increase under this section, the provisions of this paragraph shall apply as if such first increase were in effect with respect to computation of a child's annuity under section 10(d) which commenced between January 2 of the year preceding the first increase and the effective date of the first increase.

"(c) No increase in annuity provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

"(d) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar."

SEC. 1103. (a) Section 9(g) of the Civil Service Retirement Act is amended to read as follows:

"(g) The annuity as hereinbefore provided (excluding any increase because of retirement under section 7) for any married employee or Member retiring under this Act, or any portion of such annuity designated in writing for purposes of section 10(a)(1), shall be reduced by 2½ per centum of so much thereof as does not exceed \$3,600 and by 10 per centum of so much thereof as exceeds \$3,600, unless the employee or Member notifies the Commission in writing at the time of retirement that he does not desire his wife or husband to receive an annuity as provided in section 10(a)(1)."

(b) Section 10(a)(1) of such Act is amended to read as follows:

"(1) If an employee or Member dies after having retired under any provision of this Act and is survived by a wife or husband to whom the employee or Member was married at the time of retirement, such wife or husband shall be paid an annuity equal to 55 per centum of an annuity computed as provided in subsections (a), (b), (c), (d), (e), and (f) of section 9, as may apply with respect to the annuitant, or of such portion thereof as may have been designated in writing for such purpose by the employee or Member at the time of retirement, unless the employee or Member has notified the Commission in writing at the time of retirement that he does not desire his wife or husband to receive such annuity."

70 Stat. 754.  
5 USC 2260.

5 USC 2259.

5 USC 2257.

*Infra.*

5 USC 2260.

5 USC 2259.

(c) Section 10(b) of such Act is amended by striking out "50 per centum" and inserting in lieu thereof "55 per centum".

(d) Section 10(c) of such Act is amended by striking out "50 per centum" and inserting in lieu thereof "55 per centum".

(e) Section 10(e) of such Act is amended by striking out "50 per centum" and inserting in lieu thereof "55 per centum".

(f) (A) Section 1(j) of the Civil Service Retirement Act is amended by substituting a comma for the period at the end thereof and adding the following: "or such unmarried child between eighteen and twenty-one years of age who is a student regularly pursuing a full-time course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child whose twenty-first birthday occurs prior to July 1 or after August 31 of any calendar year, and while he is regularly pursuing such a course of study or training, shall be deemed for the purposes of this paragraph and section 10(d) to have attained the age of twenty-one on the first day of July following such birthday. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years if the interim does not exceed four months and if he shows to the satisfaction of the Commission that he has a bona fide intention of continuing to pursue a course of study or training in the same or different school during the school semester (or other period into which the school year is divided) immediately following the interim."

5 USC 2251.

5 USC 2260.

(B) The third sentence of section 10(d) of the Act is amended to read as follows: "The child's annuity shall commence on the day after the employee or Member dies, and such annuity granted under this Act or under the Act of May 29, 1930, as amended from and after February 28, 1948, or any right thereto shall terminate on the last day of the month before (1) his attaining age eighteen unless incapable of self-support, (2) his becoming capable of self-support after age eighteen, (3) his marriage, or (4) his death, except that the annuity of a child who is a student as described in section 1(j) shall terminate on the last day of the month before (1) his marriage, (2) his death, (3) his ceasing to be such a student, or (4) his attaining age twenty-one."

5 USC 2251  
note.

SEC. 1104. Section 1101 of this part shall take effect on January 1, 1963. The amendments made by section 1103 (except subsection (f)) shall not apply in the case of employees or Members retired or otherwise separated prior to the date of enactment of this Act, and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if these amendments had not been enacted.

Effective date.

Approved October 11, 1962, 9:30 a.m.

## Public Law 87-794

## AN ACT

October 11, 1962  
[H. R. 11970]

To promote the general welfare, foreign policy, and security of the United States through international trade agreements and through adjustment assistance to domestic industry, agriculture, and labor, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Trade Expansion  
Act of 1962.

## TITLE I—SHORT TITLE AND PURPOSES

### SEC. 101. SHORT TITLE.

This Act may be cited as the "Trade Expansion Act of 1962".

### SEC. 102. STATEMENT OF PURPOSES.

The purposes of this Act are, through trade agreements affording mutual trade benefits—

- (1) to stimulate the economic growth of the United States and maintain and enlarge foreign markets for the products of United States agriculture, industry, mining, and commerce;
- (2) to strengthen economic relations with foreign countries through the development of open and nondiscriminatory trading in the free world; and
- (3) to prevent Communist economic penetration.

## TITLE II—TRADE AGREEMENTS

### CHAPTER 1—GENERAL AUTHORITY

#### SEC. 201. BASIC AUTHORITY FOR TRADE AGREEMENTS.

(a) Whenever the President determines that any existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that any of the purposes stated in section 102 will be promoted thereby, the President may—

(1) after June 30, 1962, and before July 1, 1967, enter into trade agreements with foreign countries or instrumentalities thereof; and

(2) proclaim such modification or continuance of any existing duty or other import restriction, such continuance of existing duty-free or excise treatment, or such additional import restrictions, as he determines to be required or appropriate to carry out any such trade agreement.

(b) Except as otherwise provided in this title, no proclamation pursuant to subsection (a) shall be made—

(1) decreasing any rate of duty to a rate below 50 percent of the rate existing on July 1, 1962; or

(2) increasing any rate of duty to (or imposing) a rate more than 50 percent above the rate existing on July 1, 1934.

#### SEC. 202. LOW-RATE ARTICLES.

Section 201(b) (1) shall not apply in the case of any article for which the rate of duty existing on July 1, 1962, is not more than 5 percent ad valorem (or ad valorem equivalent). In the case of an article subject to more than one rate of duty, the preceding sentence shall be applied by taking into account the aggregate of such rates.

## CHAPTER 2—SPECIAL PROVISIONS CONCERNING EUROPEAN ECONOMIC COMMUNITY

### SEC. 211. IN GENERAL.

(a) In the case of any trade agreement with the European Economic Community, section 201(b)(1) shall not apply to articles in any category if, before entering into such trade agreement, the President determines with respect to such category that the United States and all countries of the European Economic Community together accounted for 80 percent or more of the aggregated world export value of all the articles in such category.

(b) For purposes of subsection (a)—

(1) As soon as practicable after the date of the enactment of this Act, the President shall—

(A) after taking into account the availability of trade statistics, select a system of comprehensive classification of articles by category, and

(B) make public his selection of such system.

(2) As soon as practicable after the President has selected a system pursuant to paragraph (1), the Tariff Commission shall—

(A) determine the articles falling within each category of such system, and

(B) make public its determinations.

The determination of the Tariff Commission as to the articles included in any category may be modified only by the Tariff Commission. Such modification by the Tariff Commission may be made only for the purpose of correction, and may be made only before the date on which the first list of articles specifying this section is furnished by the President to the Tariff Commission pursuant to section 221.

(c) For the purpose of making a determination under subsection (a) with respect to any category—

(1) The determination of the countries of the European Economic Community shall be made as of the date of the request under subsection (d).

(2) The President shall determine “aggregated world export value” with respect to any category of articles—

(A) on the basis of a period which he determines to be representative for such category, which period shall be included in the most recent 5-year period before the date of the request under subsection (d) for which statistics are available and shall contain at least 2 one-year periods,

(B) on the basis of the dollar value of exports as shown by trade statistics in use by the Department of Commerce, and

(C) by excluding exports—

(i) from any country of the European Economic Community to another such country, and

(ii) to or from any country or area which, at any time during the representative period, was denied trade agreement benefits under section 231, or under section 5 of the Trade Agreements Extension Act of 1951, or under section 401(a) of the Tariff Classification Act of 1962.

(d) Before the President makes a determination under subsection (a) with respect to any category, the Tariff Commission shall (upon request of the President) make findings as to—

(1) the representative period for such category,

(2) the aggregated world export value of the articles falling within such category, and

65 Stat. 73;  
Post, p. 882.  
19 USC 1362.  
Ante, p. 78.

(3) the percentage of the aggregated world export value of such articles accounted for by the United States and the countries of the European Economic Community, and shall advise the President of such findings.

(e) The exception to section 201(b)(1) provided by subsection (a) shall not apply to any article referred to in Agricultural Handbook No. 143, United States Department of Agriculture, as issued in September 1959.

#### **SEC. 212. AGRICULTURAL COMMODITIES.**

In the case of any trade agreement with the European Economic Community, section 201(b)(1) shall not apply to any article referred to in Agricultural Handbook No. 143, United States Department of Agriculture, as issued in September 1959, if before entering into such agreement the President determines that such agreement will tend to assure the maintenance or expansion of United States exports of the like article.

#### **SEC. 213. TROPICAL AGRICULTURAL AND FORESTRY COMMODITIES.**

(a) Section 201(b)(1) shall not apply to any article if, before entering into the trade agreement covering such article, the President determines that—

(1) such article is a tropical agricultural or forestry commodity;

(2) the like article is not produced in significant quantities in the United States; and

(3) the European Economic Community has made a commitment with respect to duties or other import restrictions which is likely to assure access for such article to the markets of the European Economic Community which—

(A) is comparable to the access which such article will have to the markets of the United States, and

(B) will be afforded substantially without differential treatment as among free world countries of origin.

(b) For purposes of subsection (a), a "tropical agricultural or forestry commodity" is an agricultural or forestry commodity with respect to which the President determines that more than one-half of the world production is in the area of the world between 20 degrees north latitude and 20 degrees south latitude.

(c) Before the President makes a determination under subsection (a) with respect to any article, the Tariff Commission shall (upon request of the President) make findings as to—

(1) whether or not such article is an agricultural or forestry commodity more than one-half of the world production of which is in the area of the world between 20 degrees north latitude and 20 degrees south latitude, and

(2) whether or not the like article is produced in significant quantities in the United States, and shall advise the President of such findings.

### **CHAPTER 3—REQUIREMENTS CONCERNING NEGOTIATIONS**

#### **SEC. 221. TARIFF COMMISSION ADVICE.**

(a) In connection with any proposed trade agreement under this title, the President shall from time to time publish and furnish the Tariff Commission with lists of articles which may be considered for modification or continuance of United States duties or other import restrictions, or continuance of United States duty-free or exise treatment. In the case of any article with respect to which consideration



may be given to reducing the rate of duty below the 50 percent limitation contained in section 201(b)(1), the list shall specify the section or sections of this title pursuant to which such consideration may be given.

(b) Within 6 months after receipt of such a list, the Tariff Commission shall advise the President with respect to each article of its judgment as to the probable economic effect of modifications of duties or other import restrictions on industries producing like or directly competitive articles, so as to assist the President in making an informed judgment as to the impact that might be caused by such modifications on United States industry, agriculture, and labor.

(c) In preparing its advice to the President, the Tariff Commission shall, to the extent practicable—

(1) investigate conditions, causes, and effects relating to competition between the foreign industries producing the articles in question and the domestic industries producing the like or directly competitive articles;

(2) analyze the production, trade, and consumption of each like or directly competitive article, taking into consideration employment, profit levels, and use of productive facilities with respect to the domestic industries concerned, and such other economic factors in such industries as it considers relevant, including prices, wages, sales, inventories, patterns of demand, capital investment, obsolescence of equipment, and diversification of production;

(3) describe the probable nature and extent of any significant change in employment, profit levels, use of productive facilities and such other conditions as it deems relevant in the domestic industries concerned which it believes such modifications would cause; and

(4) make special studies (including studies of real wages paid in foreign supplying countries), whenever deemed to be warranted, of particular proposed modifications affecting United States industry, agriculture, and labor, utilizing to the fullest extent practicable the facilities of United States attachés abroad and other appropriate personnel of the United States.

(d) In preparing its advice to the President, the Tariff Commission shall, after reasonable notice, hold public hearings.

#### SEC. 222. ADVICE FROM DEPARTMENTS.

Before any trade agreement is entered into under this title, the President shall seek information and advice with respect to such agreement from the Departments of Agriculture, Commerce, Defense, Interior, Labor, State, and Treasury, and from such other sources as he may deem appropriate.

#### SEC. 223. PUBLIC HEARINGS.

In connection with any proposed trade agreement under this title, the President shall afford an opportunity for any interested person to present his views concerning any article on a list published pursuant to section 221, any article which should be so listed, any concession which should be sought by the United States, or any other matter relevant to such proposed trade agreement. For this purpose, the President shall designate an agency or an interagency committee which shall, after reasonable notice, hold public hearings, shall prescribe regulations governing the conduct of such hearings, and shall furnish the President with a summary of such hearings.

Designation of  
agency by President.

#### SEC. 224. PREREQUISITE FOR OFFERS.

The President may make an offer for the modification or continuance of any duty or other import restriction, or continuance of duty-free or excise treatment, with respect to any article only after he has

received advice concerning such article from the Tariff Commission under section 221(b), or after the expiration of the relevant 6-month period provided for in that section, whichever first occurs, and only after the President has received a summary of the hearings at which an opportunity to be heard with respect to such article has been afforded under section 223.

#### SEC. 225. RESERVATION OF ARTICLES FROM NEGOTIATIONS.

(a) While there is in effect with respect to any article any action taken under—

(1) section 232, 351, or 352,

(2) section 2(b) of the Act entitled "An Act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended", approved July 1, 1954 (19 U.S.C., sec. 1352a), or

(3) section 7 of the Trade Agreements Extension Act of 1951 (19 U.S.C., sec. 1364),

the President shall reserve such article from negotiations under this title for the reduction of any duty or other import restriction or the elimination of any duty.

(b) During the 5-year period which begins on the date of the enactment of this Act, the President shall reserve an article (other than an article which, on the date of the enactment of this Act, was described in subsection (a) (3)) from negotiation under this title for the reduction of any duty or other import restriction or the elimination of any duty where—

(1) pursuant to section 7 of the Trade Agreements Extension Act of 1951 (or pursuant to a comparable Executive Order), the Tariff Commission found by a majority of the Commissioners voting that such article was being imported in such increased quantities as to cause or threaten serious injury to an industry,

(2) such article is included in a list furnished to the Tariff Commission pursuant to section 221 (and has not been included in a prior list so furnished), and

(3) upon request on behalf of the industry, made not later than 60 days after the date of the publication of such list, the Tariff Commission finds and advises the President that economic conditions in such industry have not substantially improved since the date of the report of the finding referred to in paragraph (1).

(c) In addition to the articles described by subsections (a) and (b), the President shall also so reserve any other article which he determines to be appropriate, taking into consideration the advice of the Tariff Commission under section 221(b), any advice furnished to him under section 222, and the summary furnished to him under section 223.

#### SEC. 226. TRANSMISSION OF AGREEMENTS TO CONGRESS.

The President shall transmit promptly to each House of Congress a copy of each trade agreement entered into under this title, together with a statement, in the light of the advice of the Tariff Commission under section 221(b) and of other relevant considerations, of his reasons for entering into the agreement.

### CHAPTER 4—NATIONAL SECURITY

#### SEC. 231. PRODUCTS OF COMMUNIST COUNTRIES OR AREAS.

The President shall, as soon as practicable, suspend, withdraw, or prevent the application of the reduction, elimination, or continuance of any existing duty or other import restriction, or the continuance of any existing duty-free or excise treatment, proclaimed in carrying out any trade agreement under this title or under section 350 of the Tariff Act of 1930, to products, whether imported directly or in-

72 Stat. 678.

65 Stat. 74.  
Post, p. 882.

directly, of any country or area dominated or controlled by Communism.

**SEC. 232. SAFEGUARDING NATIONAL SECURITY.**

(a) No action shall be taken pursuant to section 201 (a) or pursuant to section 350 of the Tariff Act of 1930 to decrease or eliminate the duty or other import restriction on any article if the President determines that such reduction or elimination would threaten to impair the national security.

48 Stat. 943;  
Post, pp. 881-883.  
19 USC 1351.

(b) Upon request of the head of any department or agency, upon application of an interested party, or upon his own motion, the Director of the Office of Emergency Planning (hereinafter in this section referred to as the "Director") shall immediately make an appropriate investigation, in the course of which he shall seek information and advice from other appropriate departments and agencies, to determine the effects on the national security of imports of the article which is the subject of such request, application, or motion. If, as a result of such investigation, the Director is of the opinion that the said article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, he shall promptly so advise the President, and, unless the President determines that the article is not being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security as set forth in this section, he shall take such action, and for such time, as he deems necessary to adjust the imports of such article and its derivatives so that such imports will not so threaten to impair the national security.

Office of Emer-  
gency Planning.  
Investigation by  
Director.

(c) For the purposes of this section, the Director and the President shall, in the light of the requirements of national security and without excluding other relevant factors, give consideration to domestic production needed for projected national defense requirements, the capacity of domestic industries to meet such requirements, existing and anticipated availabilities of the human resources, products, raw materials, and other supplies and services essential to the national defense, the requirements of growth of such industries and such supplies and services including the investment, exploration, and development necessary to assure such growth, and the importation of goods in terms of their quantities, availabilities, character, and use as those affect such industries and the capacity of the United States to meet national security requirements. In the administration of this section, the Director and the President shall further recognize the close relation of the economic welfare of the Nation to our national security, and shall take into consideration the impact of foreign competition on the economic welfare of individual domestic industries; and any substantial unemployment, decrease in revenues of government, loss of skills or investment, or other serious effects resulting from the displacement of any domestic products by excessive imports shall be considered, without excluding other factors, in determining whether such weakening of our internal economy may impair the national security.

Domestic pro-  
duction for na-  
tional defense.

(d) A report shall be made and published upon the disposition of each request, application, or motion under subsection (b). The Director shall publish procedural regulations to give effect to the authority conferred on him by subsection (b).

Foreign compe-  
tition, impact on  
domestic indus-  
tries.

**CHAPTER 5—ADMINISTRATIVE PROVISIONS****SEC. 241. SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS.**

Appointment by  
President.

(a) The President shall appoint, by and with the advice and consent of the Senate, a Special Representative for Trade Negotiations, who shall be the chief representative of the United States for each negotiation under this title and for such other negotiations as in the President's judgment require that the Special Representative be the chief representative of the United States, and who shall be the chairman of the organization established pursuant to section 242(a). The Special Representative for Trade Negotiations shall hold office at the pleasure of the President, shall be entitled to receive the same compensation and allowances as a chief of mission, and shall have the rank of ambassador extraordinary and plenipotentiary.

(b) The Special Representative for Trade Negotiations shall, in the performance of his functions under subsection (a), seek information and advice with respect to each negotiation from representatives of industry, agriculture, and labor, and from such agencies as he deems appropriate.

**SEC. 242. INTERAGENCY TRADE ORGANIZATION.**

(a) The President shall establish an interagency organization to assist him in carrying out the functions vested in him by this title and sections 351 and 352. Such organization shall, in addition to the Special Representative for Trade Negotiations, be composed of the heads of such departments and of such other officers as the President shall designate. It shall meet at such times and with respect to such matters as the President or the chairman of the organization shall direct. The organization may invite the participation in its activities of any agency not represented in the organization when matters of interest to such agency are under consideration.

(b) In assisting the President, the organization shall—

(1) make recommendations to the President on basic policy issues arising in the administration of the trade agreements program,

(2) make recommendations to the President as to what action, if any, he should take on reports with respect to tariff adjustment submitted to him by the Tariff Commission under section 301(e),

(3) advise the President of the results of hearings concerning foreign import restrictions held pursuant to section 252(d), and recommend appropriate action with respect thereto, and

(4) perform such other functions with respect to the trade agreements program as the President may from time to time designate.

(c) The organization shall, to the maximum extent practicable, draw upon the resources of the agencies represented in the organization, as well as such other agencies as it may determine, including the Tariff Commission. In addition, the President may establish by regulation such procedures and committees as he may determine to be necessary to enable the organization to provide for the conduct of hearings pursuant to section 252(d), and for the carrying out of other functions assigned to the organization pursuant to this section.

**SEC. 243. CONGRESSIONAL DELEGATES TO NEGOTIATIONS.**

Before each negotiation under this title, the President shall, upon the recommendation of the Speaker of the House of Representatives, select two members (not of the same political party) of the Committee on Ways and Means, and shall, upon the recommendation of the President of the Senate, select two members (not of the same political party) of the Committee on Finance, who shall be accredited as members of the United States delegation to such negotiation.

## CHAPTER 6—GENERAL PROVISIONS

**SEC. 251. MOST-FAVORED-NATION PRINCIPLE.**

Except as otherwise provided in this title, in section 350(b) of the Tariff Act of 1930, or in section 401(a) of the Tariff Classification Act of 1962, any duty or other import restriction or duty-free treatment proclaimed in carrying out any trade agreement under this title or section 350 of the Tariff Act of 1930 shall apply to products of all foreign countries, whether imported directly or indirectly.

*Post*, p. 881.*Ante*, p. 78.

48 Stat. 943;

*Post*, pp. 881-883.

19 USC 1351.

**SEC. 252. FOREIGN IMPORT RESTRICTIONS.**

(a) Whenever unjustifiable foreign import restrictions impair the value of tariff commitments made to the United States, oppress the commerce of the United States, or prevent the expansion of trade on a mutually advantageous basis, the President shall—

(1) take all appropriate and feasible steps within his power to eliminate such restrictions,

(2) refrain from negotiating the reduction or elimination of any United States import restriction under section 201(a) in order to obtain the reduction or elimination of any such restrictions, and

(3) notwithstanding any provision of any trade agreement under this Act and to the extent he deems necessary and appropriate, impose duties or other import restrictions on the products of any foreign country or instrumentality establishing or maintaining such foreign import restrictions against United States agricultural products, when he deems such duties and other import restrictions necessary and appropriate to prevent the establishment or obtain the removal of such foreign import restrictions and to provide access for United States agricultural products to the markets of such country or instrumentality on an equitable basis.

(b) Whenever a foreign country or instrumentality the products of which receive benefits of trade agreement concessions made by the United States—

(1) maintains nontariff trade restrictions, including variable import fees, which substantially burden United States commerce in a manner inconsistent with provisions of trade agreements, or

(2) engages in discriminatory or other acts (including tolerance of international cartels) or policies unjustifiably restricting United States commerce,

the President shall, to the extent that such action is consistent with the purposes of section 102—

(A) suspend, withdraw, or prevent the application of benefits of trade agreement concessions to products of such country or instrumentality, or

(B) refrain from proclaiming benefits of trade agreement concessions to carry out a trade agreement with such country or instrumentality.

(c) Whenever a foreign country or instrumentality, the products of which receive benefits of trade agreement concessions made by the United States, maintains unreasonable import restrictions which either directly or indirectly substantially burden United States commerce, the President may, to the extent that such action is consistent with the purposes of section 102, and having due regard for the international obligations of the United States—

(1) suspend, withdraw, or prevent the application of benefits of trade agreement concessions to products of such country or instrumentality, or

Discriminatory  
acts.Suspension, etc.,  
of benefits.Unreasonable  
import restric-  
tions.

(2) refrain from proclaiming benefits of trade agreement concessions to carry out a trade agreement with such country or instrumentality.

(d) The President shall provide an opportunity for the presentation of views concerning foreign import restrictions which are referred to in subsections (a), (b), and (c) and are maintained against United States commerce. Upon request by any interested person, the President shall, through the organization established pursuant to section 242(a), provide for appropriate public hearings with respect to such restrictions after reasonable notice and provide for the issuance of regulations concerning the conduct of such hearings.

#### SEC. 253. STAGING REQUIREMENTS.

(a) Except as otherwise provided in this section and in section 254, the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement under this title shall not exceed the aggregate reduction which would have been in effect on such day if—

(1) one-fifth of the total reduction under such agreement for such article had taken effect on the date of the first proclamation pursuant to section 201(a) to carry out such trade agreement, and

(2) the remaining four-fifths of such total reduction had taken effect in four equal installments at 1-year intervals after the date referred to in paragraph (1).

(b) Subsection (a) shall not apply to any article with respect to which the President has made a determination under section 213(a).

(c) In the case of an article the rate of duty on which has been or is to be reduced pursuant to a prior trade agreement, no reduction shall take effect pursuant to a trade agreement entered into under section 201(a) before the expiration of 1 year after the taking effect of the final reduction pursuant to such prior agreement.

(d) If any part of a reduction takes effect, then any time thereafter during which such part of the reduction is not in effect by reason of legislation of the United States or action thereunder shall be excluded in determining—

(1) the 1-year intervals referred to in subsection (a) (2), and

(2) the expiration of the 1 year referred to in subsection (c).

#### SEC. 254. ROUNDING AUTHORITY.

If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitation provided by section 201(b) (1) or 253 by not more than whichever of the following is lesser:

(1) the difference between the limitation and the next lower whole number, or

(2) one-half of 1 percent ad valorem or an amount the ad valorem equivalent of which is one-half of 1 percent.

#### SEC. 255. TERMINATION.

(a) Every trade agreement entered into under this title shall be subject to termination or withdrawal, upon due notice, at the end of a period specified in the agreement. Such period shall be not more than 3 years from the date on which the agreement becomes effective. If the agreement is not terminated or withdrawn from at the end of the period so specified, it shall be subject to termination or withdrawal thereafter upon not more than 6 months' notice.

(b) The President may at any time terminate, in whole or in part, any proclamation made under this title.

**SEC. 256. DEFINITIONS.**

For purposes of this title—

(1) The term “European Economic Community” means the instrumentality known by such name or any successor thereto.

(2) The countries of the European Economic Community as of any date shall be those countries which on such date are agreed to achieve a common external tariff through the European Economic Community.

(3) The term “agreement with the European Economic Community” means an agreement to which the United States and all countries of the European Economic Community (determined as of the date such agreement is entered into) are parties. For purposes of the preceding sentence, each country for which the European Economic Community signs an agreement shall be treated as a party to such agreement.

(4) The term “existing on July 1, 1962”, as applied to a rate of duty, refers to the lowest nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) existing on such date or (if lower) the lowest nonpreferential rate to which the United States is committed on such date and which may be proclaimed under section 350 of the Tariff Act of 1930.

(5) The term “existing on July 1, 1934”, as applied to a rate of duty, refers to the rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) existing on such date.

(6) The term “existing” without the specification of any date, when used with respect to any matter relating to entering into, or any proclamation to carry out, a trade agreement, means existing on the day on which such trade agreement is entered into, and, when referring to a rate of duty, refers to the rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) existing on such day.

(7) The term “ad valorem equivalent” means the ad valorem equivalent of a specific rate or, in the case of a combination of rates including a specific rate, the sum of the ad valorem equivalent of the specific rate and of the ad valorem rate. The ad valorem equivalent shall be determined by the President on the basis of the value of imports of the article concerned during a period determined by him to be representative. In determining the value of imports, the President shall utilize, to the maximum extent practicable, the standards of valuation contained in section 402 or 402a of the Tariff Act of 1930 (19 U.S.C., sec. 1401a or 1402) applicable to the article concerned during such representative period.

48 Stat. 943;  
*Infra; Post.*  
pp. 882, 883.  
19 USC 1351.

70 Stat. 943.  
46 Stat. 708.

**SEC. 257. RELATION TO OTHER LAWS.**

(a) The first sentence of subsection (b) of section 350 of the Tariff Act of 1930 is amended by striking out “this section” each place it appears and inserting in lieu thereof “this section or the Trade Expansion Act of 1962”. The second sentence of such subsection (b) is amended by striking out “this Act” and inserting in lieu thereof “this Act or the Trade Expansion Act of 1962”. The third sentence of such subsection (b) is amended by striking out “1955,” in paragraph (2) and inserting in lieu thereof “1955, and before July 1, 1962,” and by adding at the end thereof the following new paragraph:

“(3) In order to carry out a foreign trade agreement entered into after June 30, 1962, and before July 1, 1967, below the lowest rate permissible by applying title II of the Trade Expansion Act of 1962 to the rate of duty (however established, and even though

48 Stat. 943.  
19 USC 1351.

temporarily suspended by Act of Congress or otherwise) existing on July 1, 1962, with respect to such product."

Repeal.

69 Stat. 164, 165;  
72 Stat. 673.

(b) Subsections (a) (5) and (e) of section 350 of the Tariff Act of 1930 are repealed.

25 F.R. 4764,  
11119.

48 Stat. 943;  
Ante, p. 881;  
Post, p. 883.  
19 USC 1351.

(c) For purposes only of entering into trade agreements pursuant to the notices of intention to negotiate published in the Federal Register of May 28, 1960, and the Federal Register of November 23, 1960, the period during which the President is authorized to enter into foreign trade agreements under section 350 of the Tariff Act of 1930 is hereby extended from the close of June 30, 1962, until the close of December 31, 1962.

48 Stat. 944.

(d) The second and third sentences of section 2(a) of the Act entitled "An Act to amend the Tariff Act of 1930", approved June 12, 1934, as amended (19 U.S.C., sec. 1352(a)), are each amended by striking out "this Act" and inserting in lieu thereof "this Act or the Trade Expansion Act of 1962".

Repeal.

65 Stat. 73.  
19 USC 1362-  
1365.

(e) (1) Sections 5, 6, 7, and 8(a) of the Trade Agreements Extension Act of 1951 are repealed.

Ante, p. 876.

(2) Action taken by the President under section 5 of such Act and in effect on the date of the enactment of this Act shall be considered as having been taken by the President under section 231.

Post, p. 883.

(3) Any investigation by the Tariff Commission under section 7 of such Act which is in progress on the date of the enactment of this Act shall be continued under section 301 as if the application by the interested party were a petition under such section for tariff adjustment under section 351. For purposes of section 301(f), such petition shall be treated as having been filed on the date of the enactment of this Act.

Repeal.

72 Stat. 678.  
19 USC 1352a.

(f) Section 2 of the Act entitled "An Act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended", approved July 1, 1954, is repealed. Any action (including any investigation begun) under such section 2 before the date of the enactment of this Act shall be considered as having been taken or begun under section 232.

Ante, p. 74.

(g) (1) Section 102(1) of the Tariff Classification Act of 1962 is amended by striking out "of schedules 1 to 7, inclusive,".

Ante, p. 75.

(2) Section 203 of the Tariff Classification Act of 1962 is amended to read as follows:

Post, p. 883.  
Supra.

"SEC. 203. For purposes of applying sections 323 and 350 of the Tariff Act of 1930, as amended, and the Trade Expansion Act of 1962 with respect to the Tariff Schedules of the United States—

"(1) The rate of duty in rate column numbered 2 for each item in schedules 1 to 7, inclusive, of the Tariff Schedules of the United States shall be treated as the rate of duty existing on July 1, 1934.

Ante, p. 78.

"(2) The lowest preferential or nonpreferential rate of duty in rate column numbered 1 for each item in schedules 1 to 7, inclusive, of the Tariff Schedules of the United States on the effective date provided in section 501(a) of this Act shall be treated as the lowest preferential or nonpreferential rate of duty, respectively, existing on July 1, 1962; except that in the case of any such item included in a supplemental report made pursuant to section 101(c) of this Act to reflect a change proclaimed by the President after July 1, 1962 (other than a change to which the United States was committed on July 1, 1962), the rate treated as the lowest nonpreferential rate of duty existing on July 1, 1962, shall be the rate which the Commission specifically declares in such supplemental report to be the rate which, in its judgment, conforms to the fullest extent practicable to the rate regarded as existing on July 1, 1962, under section 256(4) of the Trade Expansion Act of 1962.

Ante, p. 73.



"(3) Legislation entering into force after the effective date provided for in section 501(a) of this Act which results in the permanent reclassification of any article without specifying the rate of duty applicable thereto, and proclamations under section 202(c) of this Act, shall be considered as having been in effect since June 30, 1962."

*Ante*, p. 78.

*Ante*, p. 75.

(h) Nothing contained in this Act shall be construed to affect in any way the provisions of section 22 of the Agricultural Adjustment Act, or to apply to any import restriction heretofore or hereafter imposed under such section.

64 Stat. 261.  
7 USC 624.

(i) Part I of title III of the Tariff Act of 1930 is amended by adding at the end thereof the following new section:

19 USC 1301 et  
seq.

**"SEC. 323. CONSERVATION OF FISHERY RESOURCES.**

"Upon the convocation of a conference on the use or conservation of international fishery resources, the President shall, by all appropriate means at his disposal, seek to persuade countries whose domestic fishing practices or policies affect such resources, to engage in negotiations in good faith relating to the use or conservation of such resources. If, after such efforts by the President and by other countries which have agreed to engage in such negotiations, any other country whose conservation practices or policies affect the interests of the United States and such other countries, has, in the judgment of the President, failed or refused to engage in such negotiations in good faith, the President may, if he is satisfied that such action is likely to be effective in inducing such country to engage in such negotiations in good faith, increase the rate of duty on any fish (in any form) which is the product of such country, for such time as he deems necessary, to a rate not more than 50 percent above the rate existing on July 1, 1934."

**SEC. 258. REFERENCES.**

All provisions of law (other than this Act and the Trade Agreements Extension Act of 1951) in effect after June 30, 1962, referring to section 350 of the Tariff Act of 1930, to that section as amended, to the Act entitled "An Act to amend the Tariff Act of 1930", approved June 12, 1934, to that Act as amended, or to agreements entered into, or proclamations issued, under any of such provisions, shall be construed, unless clearly precluded by the context, to refer also to this Act, or to agreements entered into or proclamations issued, pursuant to this Act.

65 Stat. 72.  
19 USC 1360  
note.

48 Stat. 943;  
*Ante*, pp. 881, 882.  
*Supra*.  
19 USC 1351.

## TITLE III—TARIFF ADJUSTMENT AND OTHER ADJUSTMENT ASSISTANCE

### CHAPTER 1—ELIGIBILITY FOR ASSISTANCE

#### SEC. 301. TARIFF COMMISSION INVESTIGATIONS AND REPORTS.

(a) (1) A petition for tariff adjustment under section 351 may be filed with the Tariff Commission by a trade association, firm, certified or recognized union, or other representative of an industry.

(2) A petition for a determination of eligibility to apply for adjustment assistance under chapter 2 may be filed with the Tariff Commission by a firm or its representative, and a petition for a determination of eligibility to apply for adjustment assistance under chapter 3 may be filed with the Tariff Commission by a group of workers or by their certified or recognized union or other duly authorized representative.

Investigation by  
Tariff Commis-  
sion.

(3) Whenever a petition is filed under this subsection, the Tariff Commission shall transmit a copy thereof to the Secretary of Commerce.

(b) (1) Upon the request of the President upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon the filing of a petition under subsection (a) (1), the Tariff Commission shall promptly make an investigation to determine whether, as a result in major part of concessions granted under trade agreements, an article is being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to the domestic industry producing an article which is like or directly competitive with the imported article.

(2) In making its determination under paragraph (1), the Tariff Commission shall take into account all economic factors which it considers relevant, including idling of productive facilities, inability to operate at a level of reasonable profit, and unemployment or underemployment.

(3) For purposes of paragraph (1), increased imports shall be considered to cause, or threaten to cause, serious injury to the domestic industry concerned when the Tariff Commission finds that such increased imports have been the major factor in causing, or threatening to cause, such injury.

(4) No investigation for the purpose of paragraph (1) shall be made, upon petition filed under subsection (a) (1), with respect to the same subject matter as a previous investigation under paragraph (1), unless one year has elapsed since the Tariff Commission made its report to the President of the results of such previous investigation.

Petition by a  
firm.

(c) (1) In the case of a petition by a firm for a determination of eligibility to apply for adjustment assistance under chapter 2, the Tariff Commission shall promptly make an investigation to determine whether, as a result in major part of concessions granted under trade agreements, an article like or directly competitive with an article produced by the firm is being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to such firm. In making its determination under this paragraph, the Tariff Commission shall take into account all economic factors which it considers relevant, including idling of productive facilities of the firm, inability of the firm to operate at a level of reasonable profit, and unemployment or underemployment in the firm.

Petition by  
group of workers.

(2) In the case of a petition by a group of workers for a determination of eligibility to apply for adjustment assistance under chapter 3, the Tariff Commission shall promptly make an investigation to determine whether, as a result in major part of concessions granted under trade agreements, an article like or directly competitive with an article produced by such workers' firm, or an appropriate subdivision thereof, is being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such firm or subdivision.

(3) For purposes of paragraphs (1) and (2), increased imports shall be considered to cause, or threaten to cause, serious injury to a firm or unemployment or underemployment, as the case may be, when the Tariff Commission finds that such increased imports have been the major factor in causing, or threatening to cause, such injury or unemployment or underemployment.

(d) (1) In the course of any investigation under subsection (b) (1), the Tariff Commission shall, after reasonable notice, hold public hearings and shall afford interested parties opportunity to be present, to produce evidence, and to be heard at such hearings.

(2) In the course of any investigation under subsection (c) (1) or (c) (2), the Tariff Commission shall, after reasonable notice, hold public hearings if requested by the petitioner, or if, within 10 days after notice of the filing of the petition, a hearing is requested by any other party showing a proper interest in the subject matter of the investigation, and shall afford interested parties an opportunity to be present, to produce evidence, and to be heard at such hearings.

(e) Should the Tariff Commission find with respect to any article, as the result of its investigation, the serious injury or threat thereof described in subsection (b), it shall find the amount of the increase in, or imposition of, any duty or other import restriction on such article which is necessary to prevent or remedy such injury and shall include such finding in its report to the President.

(f) (1) The Tariff Commission shall report to the President the results of each investigation under this section and include in each report any dissenting or separate views. The Tariff Commission shall furnish to the President a transcript of the hearings and any briefs which may have been submitted in connection with each investigation.

Report to President.

(2) The report of the Tariff Commission of its determination under subsection (b) shall be made at the earliest practicable time, but not later than 6 months after the date on which the petition is filed (or the date on which the request or resolution is received or the motion is adopted, as the case may be). Upon making such report to the President, the Tariff Commission shall promptly make public such report, and shall cause a summary thereof to be published in the Federal Register.

Publication in F. R.

(3) The report of the Tariff Commission of its determination under subsection (c) (1) or (c) (2) with respect to any firm or group of workers shall be made at the earliest practicable time, but not later than 60 days after the date on which the petition is filed.

(g) Except as provided in section 257(e) (3), no petition shall be filed under subsection (a), and no request, resolution, or motion shall be made under subsection (b), prior to the close of the 60th day after the date of the enactment of this Act.

#### SEC. 302. PRESIDENTIAL ACTION AFTER TARIFF COMMISSION DETERMINATION.

(a) After receiving a report from the Tariff Commission containing an affirmative finding under section 301(b) with respect to any industry, the President may—

(1) provide tariff adjustment for such industry pursuant to section 351 or 352,

(2) provide, with respect to such industry, that its firms may request the Secretary of Commerce for certifications of eligibility to apply for adjustment assistance under chapter 2,

(3) provide, with respect to such industry, that its workers may request the Secretary of Labor for certifications of eligibility to apply for adjustment assistance under chapter 3, or

(4) take any combination of such actions.

(b) (1) The Secretary of Commerce shall certify, as eligible to apply for adjustment assistance under chapter 2, any firm in an industry with respect to which the President has acted under subsection (a) (2), upon a showing by such firm to the satisfaction of the Secretary of Commerce that the increased imports (which the Tariff Commission has determined to result from concessions granted under

trade agreements) have caused serious injury or threat thereof to such firm.

(2) The Secretary of Labor shall certify, as eligible to apply for adjustment assistance under chapter 3, any group of workers in an industry with respect to which the President has acted under subsection (a) (3), upon a showing by such group of workers to the satisfaction of the Secretary of Labor that the increased imports (which the Tariff Commission has determined to result from concessions granted under trade agreements) have caused or threatened to cause unemployment or underemployment of a significant number or proportion of workers of such workers' firm or subdivision thereof.

(c) After receiving a report from the Tariff Commission containing an affirmative finding under section 301(c) with respect to any firm or group of workers, the President may certify that such firm or group of workers is eligible to apply for adjustment assistance.

(d) Any certification under subsection (b) or (c) that a group of workers is eligible to apply for adjustment assistance shall specify the date on which the unemployment or underemployment began or threatens to begin.

(e) Whenever the President determines, with respect to any certification of the eligibility of a group of workers, that separations from the firm or subdivision thereof are no longer attributable to the conditions specified in section 301(c) (2) or in subsection (b) (2) of this section, he shall terminate the effect of such certification. Such termination shall apply only with respect to separations occurring after the termination date specified by the President.

## CHAPTER 2—ASSISTANCE TO FIRMS

### SEC. 311. CERTIFICATION OF ADJUSTMENT PROPOSALS.

(a) A firm certified under section 302 as eligible to apply for adjustment assistance may, at any time within 2 years after the date of such certification, file an application with the Secretary of Commerce for adjustment assistance under this chapter. Within a reasonable time after filing its application, the firm shall present a proposal for its economic adjustment.

(b) Adjustment assistance under this chapter consists of technical assistance, financial assistance, and tax assistance, which may be furnished singly or in combination. Except as provided in subsection (c), no adjustment assistance shall be provided to a firm under this chapter until its adjustment proposal shall have been certified by the Secretary of Commerce—

(1) to be reasonably calculated materially to contribute to the economic adjustment of the firm,

(2) to give adequate consideration to the interests of the workers of such firm adversely affected by actions taken in carrying out trade agreements, and

(3) to demonstrate that the firm will make all reasonable efforts to use its own resources for economic development.

(c) In order to assist a firm which has applied for adjustment assistance under this chapter in preparing a sound adjustment proposal, the Secretary of Commerce may furnish technical assistance to such firm prior to certification of its adjustment proposal.

(d) Any certification made pursuant to this section shall remain in force only for such period as the Secretary of Commerce may prescribe.

### SEC. 312. USE OF EXISTING AGENCIES.

(a) The Secretary of Commerce shall refer each certified adjustment proposal to such agency or agencies as he determines to be appropriate to furnish the technical and financial assistance necessary to carry out such proposal.

(b) Upon receipt of a certified adjustment proposal, each agency concerned shall promptly—

(1) examine the aspects of the proposal relevant to its functions, and

(2) notify the Secretary of Commerce of its determination as to the technical and financial assistance it is prepared to furnish to carry out the proposal.

(c) Whenever and to the extent that any agency to which an adjustment proposal has been referred notifies the Secretary of Commerce of its determination not to furnish technical or financial assistance, and if the Secretary of Commerce determines that such assistance is necessary to carry out the adjustment proposal, he may furnish adjustment assistance under sections 313 and 314 to the firm concerned.

(d) There are hereby authorized to be appropriated to the Secretary of Commerce such sums as may be necessary from time to time to carry out his functions under this chapter in connection with furnishing adjustment assistance to firms, which sums are authorized to be appropriated to remain available until expended.

#### **SEC. 313. TECHNICAL ASSISTANCE.**

(a) Upon compliance with section 312(c), the Secretary of Commerce may provide to a firm, on such terms and conditions as he determines to be appropriate, such technical assistance as in his judgment will materially contribute to the economic adjustment of the firm.

(b) To the maximum extent practicable, the Secretary of Commerce shall furnish technical assistance under this section and section 311(c) through existing agencies, and otherwise through private individuals, firms, or institutions.

(c) The Secretary of Commerce shall require a firm receiving technical assistance under this section or section 311(c) to share the cost thereof to the extent he determines to be appropriate.

#### **SEC. 314. FINANCIAL ASSISTANCE.**

(a) Upon compliance with section 312(c), the Secretary of Commerce may provide to a firm, on such terms and conditions as he determines to be appropriate, such financial assistance in the form of guarantees of loans, agreements for deferred participations in loans, or loans, as in his judgment will materially contribute to the economic adjustment of the firm. The assumption of an outstanding indebtedness of the firm, with or without recourse, shall be considered to be the making of a loan for purposes of this section.

(b) Guarantees, agreements for deferred participations, or loans shall be made under this section only for the purpose of making funds available to the firm—

(1) for acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery, or

(2) in cases determined by the Secretary of Commerce to be exceptional, to supply working capital.

(c) To the maximum extent practicable, the Secretary of Commerce shall furnish financial assistance under this section through agencies furnishing financial assistance under other law.

#### **SEC. 315. CONDITIONS FOR FINANCIAL ASSISTANCE.**

(a) No loan shall be guaranteed and no agreement for deferred participation in a loan shall be made by the Secretary of Commerce in an amount which exceeds 90 percent of that portion of the loan made for purposes specified in section 314(b).

(b) (1) Any loan made or deferred participation taken up by the Secretary of Commerce shall bear interest at a rate not less than the greater of—

(A) 4 percent per annum, or

(B) a rate determined by the Secretary of the Treasury for the year in which the loan is made or the agreement for such deferred participation is entered into.

(2) The Secretary of the Treasury shall determine annually the rate referred to in paragraph (1) (B), taking into consideration the current average market yields on outstanding interest-bearing marketable public debt obligations of the United States of maturities comparable to those of the loans outstanding under section 314.

(c) Guarantees or agreements for deferred participation shall be made by the Secretary of Commerce only with respect to loans bearing interest at a rate which he determines to be reasonable. In no event shall the guaranteed portion of any loan, or the portion covered by an agreement for deferred participation, bear interest at a rate more than 1 percent per annum above the rate prescribed by subsection (b) (determined when the guarantee is made or the agreement is entered into), unless the Secretary of Commerce shall determine that special circumstances justify a higher rate, in which case such portion of the loan shall bear interest at a rate not more than 2 percent per annum above such prescribed rate.

(d) The Secretary of Commerce shall make no loan or guarantee having a maturity in excess of 25 years, including renewals and extensions, and shall make no agreement for deferred participation in a loan which has a maturity in excess of 25 years, including renewals and extensions. Such limitation on maturities shall not, however, apply to—

(1) securities or obligations received by the Secretary of Commerce as claimant in bankruptcy or equitable reorganization, or as creditor in other proceedings attendant upon insolvency of the obligor, or

(2) an extension or renewal for an additional period not exceeding 10 years, if the Secretary of Commerce determines that such extension or renewal is reasonably necessary for the orderly liquidation of the loan.

(e) No financial assistance shall be provided under section 314 unless the Secretary of Commerce determines that such assistance is not otherwise available to the firm, from sources other than the United States, on reasonable terms, and that there is reasonable assurance of repayment by the borrower.

(f) The Secretary of Commerce shall maintain operating reserves with respect to anticipated claims under guarantees and under agreements for deferred participation made under section 314. Such reserves shall be considered to constitute obligations for purposes of section 1311 of the Supplemental Appropriation Act, 1955 (31 U.S.C., sec. 200).

68 Stat. 830.

#### SEC. 316. ADMINISTRATION OF FINANCIAL ASSISTANCE.

(a) In making and administering guarantees, agreements for deferred participation, and loans under section 314, the Secretary of Commerce may—

(1) require security for any such guarantee, agreement, or loan, and enforce, waive, or subordinate such security;

(2) assign or sell at public or private sale, or otherwise dispose of, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with such guarantees, agreements, or loans, and col-

lect, compromise, and obtain deficiency judgments with respect to all obligations assigned to or held by him in connection with such guarantees, agreements, or loans until such time as such obligations may be referred to the Attorney General for suit or collection;

(3) renovate, improve, modernize, complete, insure, rent, sell, or otherwise deal with, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by him in connection with such guarantees, agreements, or loans;

(4) acquire, hold, transfer, release, or convey any real or personal property or any interest therein whenever deemed necessary or appropriate, and execute all legal documents for such purposes; and

(5) exercise all such other powers and take all such other acts as may be necessary or incidental to the carrying out of functions pursuant to section 314.

(b) Any mortgage acquired as security under subsection (a) shall be recorded under applicable State law.

#### SEC. 317. TAX ASSISTANCE.

(a) If—

(1) to carry out an adjustment proposal of a firm certified pursuant to section 311, such firm applies for tax assistance under this section within 24 months after the close of a taxable year and alleges in such application that it has sustained a net operating loss for such taxable year,

(2) the Secretary of Commerce determines that any such alleged loss for such taxable year arose predominantly out of the carrying on of a trade or business which was seriously injured, during such year, by the increased imports which the Tariff Commission has determined to result from concessions granted under trade agreements, and

(3) the Secretary of Commerce determines that tax assistance under this section will materially contribute to the economic adjustment of the firm,

then the Secretary of Commerce shall certify such determinations with respect to such firm for such taxable year. No determination or certification under this subsection shall constitute a determination of the existence or amount of any net operating loss for purposes of section 172 of the Internal Revenue Code of 1954.

(b) Effective with respect to net operating losses for taxable years ending after December 31, 1955, subsection (b) of section 172 of the Internal Revenue Code of 1954 (relating to net operating loss carrybacks and carryovers) is amended to read as follows:

“(b) NET OPERATING LOSS CARRYBACKS AND CARRYOVERS.—

“(1) YEARS TO WHICH LOSS MAY BE CARRIED.—

“(A) (i) Except as provided in clause (ii), a net operating loss for any taxable year ending after December 31, 1957, shall be a net operating loss carryback to each of the 3 taxable years preceding the taxable year of such loss.

“(ii) In the case of a taxpayer with respect to a taxable year ending on or after December 31, 1962, for which a certification has been issued under section 317 of the Trade Expansion Act of 1962, a net operating loss for such taxable year shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.

“(B) Except as provided in subparagraph (C), a net operating loss for any taxable year ending after December 31, 1955, shall be a net operating loss carryover to each of the 5 taxable years following the taxable year of such loss.

26 USC 172;  
*Infra.*

68A Stat. 63.  
72 Stat. 1678.  
*Ante*, p. 648.

*Ante*, p. 649.  
26 USC 172.

“(C) In the case of a taxpayer which is a regulated transportation corporation (as defined in subsection (j)(1)), a net operating loss for any taxable year ending after December 31, 1955, shall (except as provided in subsection (j)) be a net operating loss carryover to each of the 7 taxable years following the taxable year of such loss.

“(2) AMOUNT OF CARRYBACKS AND CARRYOVERS.—Except as provided in subsections (i) and (j), the entire amount of the net operating loss for any taxable year (hereinafter in this section referred to as the ‘loss year’) shall be carried to the earliest of the taxable years to which (by reason of paragraph (1)) such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable income for each of the prior taxable years to which such loss may be carried. For purposes of the preceding sentence, the taxable income for any such prior taxable year shall be computed—

“(A) with the modifications specified in subsection (d) other than paragraphs (1), (4), and (6) thereof; and

“(B) by determining the amount of the net operating loss deduction without regard to the net operating loss for the loss year or for any taxable year thereafter, and the taxable income so computed shall not be considered to be less than zero.

“(3) SPECIAL RULES.—

“(A) Paragraph (1) (A) (ii) shall apply only if—

“(i) there has been filed, at such time and in such manner as may be prescribed by the Secretary or his delegate, a notice of filing of the application under section 317 of the Trade Expansion Act of 1962 for tax assistance, and, after its issuance, a copy of the certification under such section, and

“(ii) the taxpayer consents in writing to the assessment, within such period as may be agreed upon with the Secretary or his delegate, of any deficiency for any year to the extent attributable to the disallowance of a deduction previously allowed with respect to such net operating loss, even though at the time of filing such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

“(B) In the case of—

“(i) a partnership and its partners, or

“(ii) an electing small business corporation under subchapter S and its shareholders,

paragraph (1) (A) (ii) shall apply as determined under regulations prescribed by the Secretary or his delegate. Such paragraph shall apply to a net operating loss of a partner or such a shareholder only if it arose predominantly from losses in respect of which certifications under section 317 of the Trade Expansion Act of 1962 were filed under this section.”

(c) Subsection (h) of section 6501 of the Internal Revenue Code of 1954 (relating to limitations on assessment and collection in the case of net operating loss carrybacks) is amended by inserting before the period: “, or within 18 months after the date on which the taxpayer files in accordance with section 172(b)(3) a copy of the certification (with respect to such taxable year) issued under section 317 of the Trade Expansion Act of 1962, whichever is later”.

72 Stat. 1663.  
26 USC 6501.

*Supra*.



(d) Section 6511(d)(2)(A) of the Internal Revenue Code of 1954 (relating to special period of limitation on credit or refund with respect to net operating loss carrybacks) is amended to read as follows:

68A Stat. 808.  
26 USC 6511.

“(A) PERIOD OF LIMITATION.—If the claim for credit or refund relates to an overpayment attributable to a net operating loss carryback, in lieu of the 3-year period of limitation prescribed in subsection (a), the period shall be that period which ends with the expiration of the 15th day of the 40th month (or the 39th month, in the case of a corporation) following the end of the taxable year of the net operating loss which results in such carryback, or the period prescribed in subsection (c) in respect of such taxable year, whichever expires later; except that—

“(i) with respect to an overpayment attributable to a net operating loss carryback to any year on account of a certification issued to the taxpayer under section 317 of the Trade Expansion Act of 1962, the period shall not expire before the expiration of the sixth month following the month in which such certification is issued to the taxpayer, and

“(ii) with respect to an overpayment attributable to the creation of, or an increase in, a net operating loss carryback as a result of the elimination of excessive profits by a renegotiation (as defined in section 1481(a)(1)(A)), the period shall not expire before September 1, 1959, or the expiration of the twelfth month following the month in which the agreement or order for the elimination of such excessive profits becomes final, whichever is the later.

68A Stat. 362.  
26 USC 1481.

In the case of such a claim, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsection (b)(2) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to such carryback.”

#### SEC. 318. PROTECTIVE PROVISIONS.

(a) Each recipient of adjustment assistance under section 313, 314, or 317 shall keep records which fully disclose the amount and disposition by such recipient of the proceeds, if any, of such adjustment assistance, and which will facilitate an effective audit. The recipient shall also keep such other records as the Secretary of Commerce may prescribe.

(b) The Secretary of Commerce and the Comptroller General of the United States shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient pertaining to adjustment assistance under sections 313, 314, and 317.

(c) No adjustment assistance shall be extended under section 313, 314, or 317 to any firm unless the owners, partners, or officers certify to the Secretary of Commerce—

(1) the names of any attorneys, agents, and other persons engaged by or on behalf of the firm for the purpose of expediting applications for such adjustment assistance, and

(2) the fees paid or to be paid to any such person.

(d) No financial assistance shall be provided to any firm under section 314 unless the owners, partners, or officers shall execute an agreement binding them and the firm for a period of 2 years after such financial assistance is provided, to refrain from employing, tendering any office or employment to, or retaining for professional services any person who, on the date such assistance or any part thereof was provided, or within one year prior thereto, shall have

served as an officer, attorney, agent, or employee occupying a position or engaging in activities which the Secretary of Commerce shall have determined involve discretion with respect to the provision of such financial assistance.

#### **SEC. 319. PENALTIES.**

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Secretary of Commerce under this chapter, or for the purpose of obtaining money, property, or anything of value under this chapter, shall be fined not more than \$5,000 or imprisoned for not more than two years, or both.

#### **SEC. 320. SUITS.**

In providing technical and financial assistance under sections 313 and 314, the Secretary of Commerce may sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against him or his property. Nothing in this section shall be construed to except the activities pursuant to sections 313 and 314 from the application of sections 507(b) and 2679 of title 28 of the United States Code, and of section 367 of the Revised Statutes (5 U.S.C., sec. 316).

62 Stat. 910,  
984; 75 Stat. 539.

### **CHAPTER 3—ASSISTANCE TO WORKERS**

#### **SEC. 321. AUTHORITY.**

The Secretary of Labor shall determine whether applicants are entitled to receive assistance under this chapter and shall pay or provide such assistance to applicants who are so entitled.

#### **Subchapter A—Trade Readjustment Allowances**

#### **SEC. 322. QUALIFYING REQUIREMENTS.**

(a) Payment of a trade readjustment allowance shall be made to an adversely affected worker who applies for such allowance for any week of unemployment which begins after the 30th day after the date of the enactment of this Act and after the date determined under section 302(d), subject to the requirements of subsections (b) and (c).

(b) Total or partial separation shall have occurred—

(1) after the date of the enactment of this Act, and after the date determined under section 302(d), and

(2) before the expiration of the 2-year period beginning on the day on which the most recent determination under section 302(d) was made, and before the termination date (if any) specified under section 302(e).

(c) Such worker shall have had—

(1) in the 156 weeks immediately preceding such total or partial separation, at least 78 weeks of employment at wages of \$15 or more a week, and

(2) in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of \$15 or more a week in a firm or firms with respect to which a determination of unemployment or underemployment under section 302 has been made, or

if data with respect to weeks of employment are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary of Labor.

**SEC. 323. WEEKLY AMOUNTS.**

(a) Subject to the other provisions of this section, the trade readjustment allowance payable to an adversely affected worker for a week of unemployment shall be an amount equal to 65 percent of his average weekly wage or to 65 percent of the average weekly manufacturing wage, whichever is less, reduced by 50 percent of the amount of his remuneration for services performed during such week.

(b) Any adversely affected worker who is entitled to trade readjustment allowances and who is undergoing training approved by the Secretary of Labor, including on-the-job training, shall receive for each week in which he is undergoing any such training, a trade readjustment allowance in an amount (computed for such week) equal to the amount computed under subsection (a) or (if greater) the amount of any weekly allowance for such training to which he would be entitled under any other Federal law for the training of workers, if he applied for such allowance. Such trade readjustment allowance shall be paid in lieu of any training allowance to which the worker would be entitled under such other Federal law.

(c) The amount of trade readjustment allowance payable to an adversely affected worker under subsection (a) or (b) for any week shall be reduced by any amount of unemployment insurance which he has received or is seeking with respect to such week; but, if the appropriate State or Federal agency finally determines that the worker was not entitled to unemployment insurance with respect to such week, the reduction shall not apply with respect to such week.

(d) If unemployment insurance, or a training allowance under the Manpower Development and Training Act of 1962 or the Area Redevelopment Act, is paid to an adversely affected worker for any week of unemployment with respect to which he would be entitled (determined without regard to subsection (c) or (e) or to any disqualification under section 327) to a trade readjustment allowance if he applied for such allowance, each such week shall be deducted from the total number of weeks of trade readjustment allowance otherwise payable to him under section 324(a) when he applies for a trade readjustment allowance and is determined to be entitled to such allowance. If the unemployment insurance or the training allowance paid to such worker for any week of unemployment is less than the amount of the trade readjustment allowance to which he would be entitled if he applied for such allowance, he shall receive, when he applies for a trade readjustment allowance and is determined to be entitled to such allowance, a trade readjustment allowance for such week equal to such difference.

*Ante*, p. 23.

75 Stat. 47.

42 USC 2501  
note.

*Post*, p. 895.

(e) Whenever, with respect to any week of unemployment, the total amount payable to an adversely affected worker as remuneration for services performed during such week, as unemployment insurance, as a training allowance referred to in subsection (d), and as a trade readjustment allowance would exceed 75 percent of his average weekly wage, his trade readjustment allowance for such week shall be reduced by the amount of such excess.

(f) The amount of any weekly payment to be made under this section which is not a whole dollar amount shall be rounded upward to the next higher whole dollar amount.

(g) (1) If unemployment insurance is paid under a State law to an adversely affected worker for a week for which—

(A) he receives a trade readjustment allowance, or  
 (B) he makes application for a trade readjustment allowance and would be entitled (determined without regard to subsection (c) or (e)) to receive such allowance,  
 the State agency making such payment shall, unless it has been reimbursed for such payment under other Federal law, be reimbursed from funds appropriated pursuant to section 337, to the extent such payment does not exceed the amount of the trade readjustment allowance which such worker would have received, or would have been entitled to receive, as the case may be, if he had not received the State payment. The amount of such reimbursement shall be determined by the Secretary of Labor on the basis of reports furnished to him by the State agency.

(2) In any case in which a State agency is reimbursed under paragraph (1) for payments of unemployment insurance made to an adversely affected worker, such payments, and the period of unemployment of such worker for which such payments were made, may be disregarded under the State law (and for purposes of applying section 3303 of the Internal Revenue Code of 1954) in determining whether or not an employer is entitled to a reduced rate of contributions permitted by the State law.

68A Stat. 440.  
 26 USC 3303.

#### SEC. 324. TIME LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES.

(a) Payment of trade readjustment allowances shall not be made to an adversely affected worker for more than 52 weeks, except that, in accordance with regulations prescribed by the Secretary of Labor—

(1) such payments may be made for not more than 26 additional weeks to an adversely affected worker to assist him to complete training approved by the Secretary of Labor, or

(2) such payments shall be made for not more than 13 additional weeks to an adversely affected worker who had reached his 60th birthday on or before the date of total or partial separation.

(b) Except for a payment made for an additional week specified in subsection (a), a trade readjustment allowance shall not be paid for a week of unemployment beginning more than 2 years after the beginning of the appropriate week. A trade readjustment allowance shall not be paid for any additional week specified in subsection (a) if such week begins more than 3 years after the beginning of the appropriate week. The appropriate week for a totally separated worker is the week of his most recent total separation. The appropriate week for a partially separated worker is the week in respect of which he first receives a trade readjustment allowance following his most recent partial separation.

#### SEC. 325. APPLICATION OF STATE LAWS.

Except where inconsistent with the provisions of this chapter and subject to such regulations as the Secretary of Labor may prescribe, the availability and disqualification provisions of the State law—

(1) under which an adversely affected worker is entitled to unemployment insurance (whether or not he has filed a claim for such insurance), or

(2) if he is not so entitled to unemployment insurance, of the State in which he was totally or partially separated,  
 shall apply to any such worker who files a claim for trade readjustment allowances. The State law so determined with respect to a separation of a worker shall remain applicable, for purposes of the preceding sentence, with respect to such separation until such worker becomes entitled to unemployment insurance under another State law (whether or not he has filed a claim for such insurance).

### Subchapter B—Training

#### SEC. 326. IN GENERAL.

(a) To assure that the readjustment of adversely affected workers shall occur as quickly and effectively as possible, with minimum reliance upon trade readjustment allowances under this chapter, every effort shall be made to prepare each such worker for full employment in accordance with his capabilities and prospective employment opportunities. To this end, and subject to this chapter, adversely affected workers shall be afforded, where appropriate, the testing, counseling, training, and placement services provided for under any Federal law. Such workers may also be afforded supplemental assistance necessary to defray transportation and subsistence expenses for separate maintenance when such training is provided in facilities which are not within commuting distance of their regular place of residence. The Secretary of Labor in defraying such subsistence expenses shall not afford any individual an allowance exceeding \$5 a day; nor shall the Secretary authorize any transportation expense exceeding the rate of 10 cents per mile.

(b) To the extent practicable, before adversely affected workers are referred to training, the Secretary of Labor shall consult with such workers' firm and their certified or recognized union or other duly authorized representative and develop a worker retraining plan which provides for training such workers to meet the manpower needs of such firm, in order to preserve or restore the employment relationship between the workers and the firm.

#### SEC. 327. DISQUALIFICATION FOR REFUSAL OF TRAINING, ETC.

Any adversely affected worker who, without good cause, refuses to accept or continue, or fails to make satisfactory progress in, suitable training to which he has been referred by the Secretary of Labor shall not thereafter be entitled to trade readjustment allowances until he enters or resumes training to which he has been so referred.

### Subchapter C—Relocation Allowances

#### SEC. 328. RELOCATION ALLOWANCES AFFORDED.

Any adversely affected worker who is the head of a family as defined in regulations prescribed by the Secretary of Labor and who has been totally separated may file an application for a relocation allowance, subject to the terms and conditions of this subchapter.

#### SEC. 329. QUALIFYING REQUIREMENTS.

(a) A relocation allowance may be granted only to assist an adversely affected worker in relocating within the United States and only if the Secretary of Labor determines that such worker cannot reasonably be expected to secure suitable employment in the commuting area in which he resides and that such worker—

(1) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which he wishes to relocate, or

(2) has obtained a bona fide offer of such employment.

(b) A relocation allowance shall not be granted to such worker unless—

(1) for the week in which the application for such allowance is filed, he is entitled (determined without regard to section 323 (c) and (e)) to a trade readjustment allowance or would be so entitled (determined without regard to whether he filed application therefor) but for the fact that he has obtained the employment referred to in subsection (a) (1), and

(2) such relocation occurs within a reasonable period after the filing of such application or (in the case of a worker who has been referred to training by the Secretary of Labor) within a reasonable period after the conclusion of such training.

**SEC. 330. RELOCATION ALLOWANCE DEFINED.**

"Relocation allowance."

For purposes of this subchapter, the term "relocation allowance" means—

- (1) the reasonable and necessary expenses, as specified in regulations prescribed by the Secretary of Labor, incurred in transporting a worker and his family and their household effects, and
- (2) a lump sum equivalent to two and one-half times the average weekly manufacturing wage.

**Subchapter D—General Provisions**

**SEC. 331. AGREEMENTS WITH STATES.**

(a) The Secretary of Labor is authorized on behalf of the United States to enter into an agreement with any State, or with any State agency. Under such an agreement, the State agency (1) as agent of the United States, will receive applications for, and will provide, assistance on the basis provided in this chapter, (2) where appropriate, will afford adversely affected workers who apply for assistance under this chapter testing, counseling, referral to training, and placement services, and (3) will otherwise cooperate with the Secretary of Labor and with other State and Federal agencies in providing assistance under this chapter.

(b) Each agreement under this subchapter shall provide the terms and conditions upon which the agreement may be amended, suspended, or terminated.

(c) Each agreement under this subchapter shall provide that unemployment insurance otherwise payable to any adversely affected worker will not be denied or reduced for any week by reason of any right to allowances under this chapter.

**SEC. 332. PAYMENTS TO STATES.**

(a) The Secretary of Labor shall from time to time certify to the Secretary of the Treasury for payment to each State which has entered into an agreement under section 331(1) the sums necessary to enable such State as agent of the United States to make payments of allowances provided for by this chapter, and (2) the sums reimbursable to a State pursuant to section 323(g). The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this chapter. Sums reimbursable to a State pursuant to section 323(g) shall be credited to the account of such State in the Unemployment Trust Fund and shall be used only for the payment of cash benefits to individuals with respect to their unemployment, exclusive of expenses of administration.

(b) All money paid a State under this section shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this subchapter, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this section may be made.

(c) Any agreement under this subchapter may require any officer or employee of the State certifying payments or disbursing funds under the agreement, or otherwise participating in the performance of the agreement, to give a surety bond to the United States in such amount as the Secretary of Labor may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this chapter.

**SEC. 333. LIABILITIES OF CERTIFYING AND DISBURSING OFFICERS.**

(a) No person designated by the Secretary of Labor, or designated pursuant to an agreement under this subchapter, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this chapter.

(b) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this chapter if it was based upon a voucher signed by a certifying officer designated as provided in subsection (a).

**SEC. 334. RECOVERY OF OVERPAYMENTS.**

(a) If a State agency or the Secretary of Labor, or a court of competent jurisdiction finds that any person—

(1) has made, or has caused to be made by another, a false statement or representation of a material fact knowing it to be false, or has knowingly failed or caused another to fail to disclose a material fact; and

(2) as a result of such action has received any payment of allowances under this chapter to which he was not entitled, such person shall be liable to repay such amount to the State agency or the Secretary of Labor, as the case may be, or either may recover such amount by deductions from any allowance payable to such person under this chapter. Any such finding by a State agency or the Secretary of Labor may be made only after an opportunity for a fair hearing.

(b) Any amount repaid to a State agency under this section shall be deposited into the fund from which payment was made. Any amount repaid to the Secretary of Labor under this section shall be returned to the Treasury and credited to the current applicable appropriation, fund, or account from which payment was made.

**SEC. 335. PENALTIES.**

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment or assistance authorized to be furnished under this chapter or pursuant to an agreement under section 331 shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

**SEC. 336. REVIEW.**

Except as may be provided in regulations prescribed by the Secretary of Labor to carry out his functions under this chapter, determinations under this chapter as to the entitlement of individuals for adjustment assistance shall be final and conclusive for all purposes and not subject to review by any court or any other officer. To the maximum extent practicable and consistent with the purposes of this chapter, such regulations shall provide that such determinations by a State agency will be subject to review in the same manner and to the same extent as determinations under the State law.

**SEC. 337. AUTHORIZATION OF APPROPRIATIONS.**

There are hereby authorized to be appropriated to the Secretary of Labor such sums as may be necessary from time to time to carry out his functions under this chapter in connection with furnishing adjustment assistance to workers, which sums are authorized to be appropriated to remain available until expended.

**SEC. 338. DEFINITIONS.**

For purposes of this chapter—

(1) The term "adversely affected employment" means employment in a firm or appropriate subdivision of a firm, if workers of such firm or subdivision are eligible to apply for adjustment assistance under this chapter.

(2) The term "adversely affected worker" means an individual who, because of lack of work in an adversely affected employment—

(A) has been totally or partially separated from such employment, or

(B) has been totally separated from employment with the firm in a subdivision of which such adversely affected employment exists.

(3) The term "average weekly manufacturing wage" means the national gross average weekly earnings of production workers in manufacturing industries for the latest calendar year (as officially published annually by the Bureau of Labor Statistics of the Department of Labor) most recently published before the period for which the assistance under this chapter is furnished.

(4) The term "average weekly wage" means one-13th of the total wages paid to an individual in the high quarter. For purposes of this computation, the high quarter shall be that quarter in which the individual's total wages were highest among the first 4 of the last 5 completed calendar quarters immediately before the quarter in which occurs the week with respect to which the computation is made. Such week shall be the week in which total separation occurred, or, in cases where partial separation is claimed, an appropriate week, as defined in regulations prescribed by the Secretary of Labor.

(5) The term "average weekly hours" means the average hours worked by the individual (excluding overtime) in the employment from which he has been or claims to have been separated in the 52 weeks (excluding weeks during which the individual was sick or on vacation) preceding the week specified in the last sentence of paragraph (4).

(6) The term "partial separation" means, with respect to an individual who has not been totally separated, that he has had his hours of work reduced to 80 percent or less of his average weekly hours in adversely affected employment and his wages reduced to 75 percent or less of his average weekly wage in such adversely affected employment.

(7) The term "remuneration" means wages and net earnings derived from services performed as a self-employed individual.

(8) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico; and the term "United States" when used in the geographical sense includes such Commonwealth.

(9) The term "State agency" means the agency of the State which administers the State law.

(10) The term "State law" means the unemployment insurance law of the State approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

(11) The term "total separation" means the layoff or severance of an individual from employment with a firm in which, or in a subdivision of which, adversely affected employment exists.

(12) The term "unemployment insurance" means the unemployment insurance payable to an individual under any State law or Federal unemployment insurance law, including title XV of the Social Security Act, the Railroad Unemployment Insurance Act, and the Temporary Extended Unemployment Compensation Act of 1961.

(13) The term "week" means a week as defined in the applicable State law.

68A Stat. 443.  
26 USC 3304.

42 USC 1361-  
1371; 45 USC 367;  
42 USC 1400l  
note.



(14) The term "week of unemployment" means with respect to an individual any week for which his remuneration for services performed during such week is less than 75 percent of his average weekly wage and in which, because of lack of work—

(A) if he has been totally separated, he worked less than the full-time week (excluding overtime) in his current occupation, or

(B) if he has been partially separated, he worked 80 percent or less of his average weekly hours.

## CHAPTER 4—TARIFF ADJUSTMENT

### SEC. 351. AUTHORITY.

(a) (1) After receiving an affirmative finding of the Tariff Commission under section 301(b) with respect to an industry, the President may proclaim such increase in, or imposition of, any duty or other import restriction on the article causing or threatening to cause serious injury to such industry as he determines to be necessary to prevent or remedy serious injury to such industry.

(2) If the President does not, within 60 days after the date on which he receives such affirmative finding, proclaim the increase in, or imposition of, any duty or other import restriction on such article found and reported by the Tariff Commission pursuant to section 301(e)—

(A) he shall immediately submit a report to the House of Representatives and to the Senate stating why he has not proclaimed such increase or imposition, and

Presidential report to Congress.

(B) such increase or imposition shall take effect (as provided in paragraph (3)) upon the adoption by both Houses of the Congress (within the 60-day period following the date on which the report referred to in subparagraph (A) is submitted to the House of Representatives and the Senate), by the yeas and nays by the affirmative vote of a majority of the authorized membership of each House, of a concurrent resolution stating in effect that the Senate and House of Representatives approve the increase in, or imposition of, any duty or other import restriction on the article found and reported by the Tariff Commission.

For purposes of subparagraph (B), in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die. The report referred to in subparagraph (A) shall be delivered to both Houses of the Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House of Representatives is not in session and to the Secretary of the Senate if the Senate is not in session.

(3) In any case in which the contingency set forth in paragraph (2) (B) occurs, the President shall (within 15 days after the adoption of such resolution) proclaim the increase in, or imposition of, any duty or other import restriction on the article which was found and reported by the Tariff Commission pursuant to section 301(e).

(4) The President may, within 60 days after the date on which he receives an affirmative finding of the Tariff Commission under section 301(b) with respect to an industry, request additional information from the Tariff Commission. The Tariff Commission shall, as soon as practicable but in no event more than 120 days after the date on which it receives the President's request, furnish additional information with respect to such industry in a supplemental report. For purposes of paragraph (2), the date on which the President receives such supplemental report shall be treated as the date on which the Presi-

dent received the affirmative finding of the Tariff Commission with respect to such industry.

(b) No proclamation pursuant to subsection (a) shall be made—

(1) increasing any rate of duty to a rate more than 50 percent above the rate existing on July 1, 1934, or, if the article is dutiable but no rate existed on July 1, 1934, the rate existing at the time of the proclamation,

(2) in the case of an article not subject to duty, imposing a duty in excess of 50 percent ad valorem.

For purposes of paragraph (1), the term "existing on July 1, 1934" has the meaning assigned to such term by paragraph (5) of section 256.

(c) (1) Any increase in, or imposition of, any duty or other import restriction proclaimed pursuant to this section or section 7 of the Trade Agreements Extension Act of 1951—

(A) may be reduced or terminated by the President when he determines, after taking into account the advice received from the Tariff Commission under subsection (d) (2) and after seeking advice of the Secretary of Commerce and the Secretary of Labor, that such reduction or termination is in the national interest, and

(B) unless extended under paragraph (2), shall terminate not later than the close of the date which is 4 years (or, in the case of any such increase or imposition proclaimed pursuant to such section 7, 5 years) after the effective date of the initial proclamation or the date of the enactment of this Act, whichever date is the later.

(2) Any increase in, or imposition of, any duty or other import restriction proclaimed pursuant to this section or pursuant to section 7 of the Trade Agreements Extension Act of 1951 may be extended in whole or in part by the President for such periods (not in excess of 4 years at any one time) as he may designate if he determines, after taking into account the advice received from the Tariff Commission under subsection (d) (3) and after seeking advice of the Secretary of Commerce and the Secretary of Labor, that such extension is in the national interest.

(d) (1) So long as any increase in, or imposition of, any duty or other import restriction pursuant to this section or pursuant to section 7 of the Trade Agreements Extension Act of 1951 remains in effect, the Tariff Commission shall keep under review developments with respect to the industry concerned, and shall make annual reports to the President concerning such developments.

(2) Upon request of the President or upon its own motion, the Tariff Commission shall advise the President of its judgment as to the probable economic effect on the industry concerned of the reduction or termination of the increase in, or imposition of, any duty or other import restriction pursuant to this section or section 7 of the Trade Agreements Extension Act of 1951.

(3) Upon petition on behalf of the industry concerned, filed with the Tariff Commission not earlier than the date which is 9 months, and not later than the date which is 6 months, before the date any increase or imposition referred to in paragraph (1) or (2) of subsection (c) is to terminate by reason of the expiration of the applicable period prescribed in paragraph (1) or an extension thereof under paragraph (2), the Tariff Commission shall advise the President of its judgment as to the probable economic effect on such industry of such termination.

(4) In advising the President under this subsection as to the probable economic effect on the industry concerned, the Tariff Commission shall take into account all economic factors which it considers

relevant, including idling of productive facilities, inability to operate at a level of reasonable profit, and unemployment or underemployment.

(5) Advice by the Tariff Commission under this subsection shall be given on the basis of an investigation during the course of which the Tariff Commission shall hold a hearing at which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard.

(e) The President, as soon as practicable, shall take such action as he determines to be necessary to bring trade agreements entered into under section 350 of the Tariff Act of 1930 into conformity with the provisions of this section. No trade agreement shall be entered into under section 201(a) unless such agreement permits action in conformity with the provisions of this section.

48 Stat. 943;  
Ante, pp. 881-883.  
19 USC 1351.

#### SEC. 352. ORDERLY MARKETING AGREEMENTS.

(a) After receiving an affirmative finding of the Tariff Commission under section 301(b) with respect to an industry, the President may, in lieu of exercising the authority contained in section 351(a) (1) but subject to the provisions of sections 351(a) (2), (3), and (4), negotiate international agreements with foreign countries limiting the export from such countries and the import into the United States of the article causing or threatening to cause serious injury to such industry, whenever he determines that such action would be more appropriate to prevent or remedy serious injury to such industry than action under section 351(a) (1).

(b) In order to carry out an agreement concluded under subsection (a), the President is authorized to issue regulations governing the entry or withdrawal from warehouse of the article covered by such agreement. In addition, in order to carry out a multilateral agreement concluded under subsection (a) among countries accounting for a significant part of world trade in the article covered by such agreement, the President is also authorized to issue regulations governing the entry or withdrawal from warehouse of the like article which is the product of countries not parties to such agreement.

Regulations.

### CHAPTER 5—ADVISORY BOARD

#### SEC. 361. ADJUSTMENT ASSISTANCE ADVISORY BOARD.

(a) There is hereby created the Adjustment Assistance Advisory Board, which shall consist of the Secretary of Commerce, as Chairman, and the Secretaries of the Treasury, Agriculture, Labor, Interior, and Health, Education, and Welfare, the Administrator of the Small Business Administration, and such other officers as the President deems appropriate. Each member of the Board may designate an officer of his agency to act for him as a member of the Board. The Chairman may from time to time invite the participation of officers of other agencies of the executive branch.

(b) At the request of the President, the Board shall advise him and the agencies furnishing adjustment assistance pursuant to chapters 2 and 3 on the development of coordinated programs for such assistance, giving full consideration to ways of preserving and restoring the employment relationship of firms and workers where possible, consistent with sound economic adjustment.

(c) The Chairman may appoint for any industry an industry committee composed of members representing employers, workers, and the public, for the purpose of advising the Board. Members of any such committee shall, while attending meetings, be entitled to receive compensation and reimbursement as provided in section 401(3). The provisions of section 1003 of the National Defense Education Act of 1958 (20 U.S.C. 583) shall apply to members of such committee.

Conflict of interest, exemption.

72 Stat. 1603.

## TITLE IV—GENERAL PROVISIONS

### SEC. 401. AUTHORITIES.

The head of any agency performing functions under this Act may—

(1) authorize the head of any other agency to perform any of such functions;

(2) prescribe such rules and regulations as may be necessary to perform such functions; and

(3) to the extent necessary to perform such functions, procure the temporary (not in excess of one year) or intermittent services of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such services shall be without regard to the civil service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5). Any individual so employed may be compensated at a rate not in excess of \$75 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed \$16 per diem in lieu of subsistence and other expenses.

### SEC. 402. REPORTS.

(a) The President shall submit to the Congress an annual report on the trade agreements program and on tariff adjustment and other adjustment assistance under this Act. Such report shall include information regarding new negotiations, changes made in duties and other import restrictions of the United States, reciprocal concessions obtained, changes in trade agreements in order to effectuate more fully the purposes of the trade agreements program (including the incorporation therein of escape clauses), the results of action taken to obtain removal of foreign trade restrictions (including discriminatory restrictions) against United States exports, remaining restrictions, and the measures available to seek their removal in accordance with the purposes of this Act, and other information relating to the trade agreements program and to the agreements entered into thereunder.

(b) The Tariff Commission shall submit to the Congress, at least once a year, a factual report on the operation of the trade agreements program.

### SEC. 403. TARIFF COMMISSION.

(a) In order to expedite the performance of its functions under this Act, the Tariff Commission may conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it.

(b) In performing its functions under this Act, the Tariff Commission may exercise any authority granted to it under any other Act.

(c) The Tariff Commission shall at all times keep informed concerning the operation and effect of provisions relating to duties or other import restrictions of the United States contained in trade agreements entered into under the trade agreements program.

### SEC. 404. SEPARABILITY.

If any provision of this Act or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of this Act, and of the application of such provision to other circumstances or persons, shall not be affected thereby.

### SEC. 405. DEFINITIONS.

For purposes of this Act—

(1) The term "agency" includes any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment of the United States.

(2) The term "duty or other import restriction" includes (A) the rate and form of an import duty, and (B) a limitation, prohibition, charge, and exaction other than duty, imposed on importation or imposed for the regulation of imports.

(3) The term "firm" includes an individual proprietorship, partnership, joint venture, association, corporation (including a development corporation), business trust, cooperative, trustees in bankruptcy, and receivers under decree of any court. A firm, together with any predecessor, successor, or affiliated firm controlled or substantially beneficially owned by substantially the same persons, may be considered a single firm where necessary to prevent unjustifiable benefits.

(4) An imported article is "directly competitive with" a domestic article at an earlier or later stage of processing, and a domestic article is "directly competitive with" an imported article at an earlier or later stage of processing, if the importation of the imported article has an economic effect on producers of the domestic article comparable to the effect of importation of articles in the same stage of processing as the domestic article. For purposes of this paragraph, the unprocessed article is at an earlier stage of processing.

(5) A product of a country or area is an article which is the growth, produce, or manufacture of such country or area.

(6) The term "modification", as applied to any duty or other import restriction, includes the elimination of any duty.

Approved October 11, 1962, 12:15 p.m.

## Public Law 87-795

### AN ACT

To amend section 305 of the Communications Act of 1934, as amended.

October 11, 1962  
[H. R. 11732]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 305 of the Communications Act of 1934, as amended, is further amended by addition of a new subsection as follows:

"(d) The provisions of sections 301 and 303 of this Act notwithstanding, the President may, provided he determines it to be consistent with and in the interest of national security, authorize a foreign government, under such terms and conditions as he may prescribe, to construct and operate at the seat of government of the United States a low-power radio station in the fixed service at or near the site of the embassy or legation of such foreign government for transmission of its messages to points outside the United States, but only (1) where he determines that the authorization would be consistent with the national interest of the United States and (2) where such foreign government has provided reciprocal privileges to the United States to construct and operate radio stations within territories subject to its jurisdiction. Foreign government stations authorized pursuant to the provisions of this subsection shall conform to such rules and regulations as the President may prescribe. The authorization of such stations, and the renewal, modification, suspension, revocation, or other termination of such authority shall be in accordance with such procedures as may be established by the President and shall not be subject to the other provisions of this Act or of the Administrative Procedure Act."

Approved October 11, 1962.

Foreign government radio stations in D. C.  
48 Stat. 1083.  
47 USC 305.

60 Stat. 237.  
5 USC 1001 note.

## Public Law 87-796

## AN ACT

October 11, 1962  
[H. R. 5423]

To amend title 10, United States Code, to authorize the Secretary of the Navy to take possession of the naval oil shale reserves, and for other purposes.

Navy.  
Naval oil  
shale reserves,  
possession.  
70A Stat. 457.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 10, United States Code, is amended as follows:

(1) Section 7421 is amended to read as follows:

"(a) The Secretary of the Navy shall take possession of all properties inside the naval petroleum and oil shale reserves that are or may become subject to the control of and use by the United States for naval purposes, except as otherwise provided in section 7438 hereof.

"(b) The Secretary has exclusive jurisdiction and control over those lands inside naval petroleum reserves numbered 1 and 2 that are covered by leases granted under sections 181-184, 185-188, 189-194, 201, 202-209, 211-214, 223, 224-226, 226d, 226e, 227-229a, 241, 251, and 261-263 of title 30, and shall administer those leases."

41 Stat. 437.  
Administration.  
Post, p. 906.

(2) Section 7422 is amended to read as follows:

"(a) Except as otherwise provided in section 7438 hereof, the Secretary of the Navy, directly or by contract, lease, or otherwise, shall explore, prospect, conserve, develop, use, and operate the naval petroleum and oil shale reserves in his discretion, subject to approval by the President.

"(b) The naval petroleum and oil shale reserves and lands outside naval petroleum reserve numbered 1 covered by contracts under section 7426 of this title, shall be used and operated for—

70A Stat. 459.

"(1) the protection, conservation, maintenance, and testing of those reserves; or

"(2) the production of petroleum, gas, oil shale and products thereof whenever and to the extent that the Secretary, with the approval of the President, finds that it is needed for national defense and the production is authorized by a joint resolution of Congress."

Production  
requirements.  
Reexamination.

(3) Section 7423 is amended to read as follows:

"The Secretary of the Navy shall from time to time reexamine the need for the production of petroleum or products from oil shale for national defense when that production is authorized under section 7422 of this title. If he finds that the authorized quantity is no longer needed, he shall reduce production to the amount currently needed for national defense."

(4) Section 7424 is amended to read as follows:

Oil reserves,  
contracts with  
owners, etc.

"(a) To consolidate and protect the oil lands owned by the United States, the Secretary of the Navy may—

"(1) contract with owners and lessees of land inside or adjoining naval petroleum and oil shale reserves for—

"(A) conservation in the ground of oil and gas; and

"(B) compensation for estimated drainage in lieu of drilling or operating offset wells; and

"(2) acquire privately owned lands or leases inside naval petroleum reserve numbered 1 by exchange of—

"(A) lands of the United States inside naval petroleum reserve numbered 1;

"(B) the right to royalty production from any of the naval petroleum reserves; and

"(C) the right to any money due the United States as a result of the wrongful extraction of petroleum products from lands inside naval petroleum reserve numbered 1.

"(b) The Secretary shall report annually to Congress all agreements under this section."

(5) Section 7428 is amended to read as follows:

"Every unit or cooperative plan of development and operation, except a plan authorized by section 7426 of this title, and every lease affecting lands owned by the United States within the naval petroleum and oil shale reserves shall contain a provision authorizing the Secretary of the Navy, subject to approval by the President and to any limitation in the plan or lease, to change from time to time the rate of prospecting and development on, and the quantity and rate of production from, lands of the United States under the plan or lease, notwithstanding any other provision of law."

Agreements and  
leases.  
70A Stat. 460.

(6) Section 7430 is amended to read as follows:

"(a) The Secretary of the Navy in administering the naval petroleum and oil shale reserves under this chapter shall use, store, sell, or exchange for other petroleum or refined products, the oil and gas products, including royalty products, oil shale and products therefrom produced, from lands in the naval petroleum and oil shale reserves and lands outside petroleum reserve numbered 1 covered by joint, unit, or other cooperative plans for the benefit of the United States.

Disposition  
of products.

"(b) Each sale of petroleum, gas, other hydrocarbons, oil shale, or products therefrom, under this section shall be made by the Secretary at public sale to the highest qualified bidder at such time, in such amounts, and after such advertising as the Secretary considers proper."

(7) Section 7431 is amended to read as follows:

"The Committees on Armed Services of the Senate and the House of Representatives must be consulted and the President's approval must be obtained before any condemnation proceedings may be started under this chapter and before any of the following transactions authorized by this chapter may be effective:

Prior approval  
for certain  
transactions.

"(1) A lease of any part of the naval petroleum or oil shale reserves.

"(2) A contract to alienate from the United States the use, control, or possession of any part of the naval petroleum or oil shale reserves (except that consultation and Presidential approval are not required in connection with the issuance of permits, licenses, easements, grazing and agricultural leases, rights-of-way, and similar contracts pertaining to use of the surface area of the naval petroleum and oil shale reserves).

"(3) A contract to sell the oil and gas (other than royalty oil and gas), oil shale, and products therefrom produced from any part of the naval petroleum and oil shale reserves.

"(4) A contract for conservation or for compensation for estimated drainage.

"(5) An agreement to exchange land, the right to royalty production, or the right to any money due the United States."

(8) Section 7432 is amended to read as follows:

"(a) Expenses incurred by the Secretary of the Navy with respect to the naval petroleum and oil shale reserves shall be paid from appropriations made available for the purposes specified in this chapter.

"(b) Expenditures necessary to carry out this chapter shall be made under the direction of the President, who shall submit estimates for these expenditures as prescribed by law."

Expenditures.

(9) Section 7433 is amended to read as follows:

"(a) Any oil, gas, gasoline or other substance accruing to the United States as royalty from any lease under this chapter shall be delivered

Disposition of  
royalties.

to the United States, or shall be paid for in money, as the Secretary of the Navy elects.

“(b) All money accruing to the United States from lands in the naval petroleum and oil shale reserves shall be covered into the Treasury.”

Quarterly  
reports.

(10) Section 7434 is amended to read as follows:

“Within thirty days after the close of each quarter, the Secretary of the Navy shall report to the Committees on Armed Services of the Senate and House of Representatives the production from the naval petroleum and oil shale reserves during the preceding quarter.”

Foreign  
interests.

(11) Section 7435 is amended to read as follows:

“(a) If the laws, customs, or regulations of any foreign country deny the privilege of leasing public lands to citizens or corporations of the United States, citizens of that foreign country, or corporations controlled by citizens of that country, may not, by contract made after July 1, 1937, or by stock ownership, holding, or control, acquire or own any interest in, or right to any benefit from, any lease of land in the naval petroleum, naval oil shale, or other naval fuel reserves made under sections 181–184, 185–188, 189–194, 201, 202–209, 211–214, 223, 224–226, 226e, 227–229a, 241, 251, and 261–263 of title 30, or under this chapter.

41 Stat. 437.

“(b) The Secretary of the Navy may cancel any lease for any violation of this section.”

(12) Section 7438 is amended to read as follows:

Rifle, Colo.,  
demonstration  
facility.  
Possession  
and use.

**“§ 7438. Rifle, Colorado, Plant; possession, use, and transfer of**

“(a) The Secretary of the Interior shall take possession of the experimental demonstration facility near Rifle, Colorado, which was constructed and operated by the Department of the Interior on lands on or near the naval oil shale reserves under the Act of April 5, 1944, chapter 172 (58 Stat. 190), as amended.

30 USC 321-325.

“(b) The Secretary of the Interior, subject to the approval of the President, shall by contract, lease, or otherwise encourage the use of the facility described in subsection (a) above in research, development, test, evaluation, and demonstration work. For such purposes the Secretary of the Interior may use, lease for use by institutions, organizations, or individuals, public or private, or transfer by letter to the Secretary of the Navy the facility described in subsection (a) above and may construct, install, and operate, or lease for operation additional experimental facilities on such lands. The Secretary of the Interior may, after consultation by the Secretary of the Navy with the Committees on Armed Services of the Senate and the House of Representatives, mine and remove, or authorize the mining and removal, of any oil shale or products therefrom from lands in the naval oil shale reserves that may be needed for such experimentation.

“(c) Nothing herein contained shall be construed—

“(1) to authorize the commercial development and operation of the naval oil shale reserves by the Government in competition with private industry; or

“(2) in diminution of the responsibility of the Secretary of the Navy in providing oil shale and products therefrom for needs of national defense.”

(13) The analysis of chapter 641 is amended as follows: In the last line after the figure “7438” delete the words

“Exclusion of naval oil shale reserves”

and insert in lieu thereof the words

“Rifle, Colorado, plant; possession, use, and transfer of.”

Approved October 11, 1962.



## Public Law 87-797

## AN ACT

October 11, 1962  
[H. R. 8567]

To authorize the Secretary of the Interior to create trial boards for the United States Park Police, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) in the making and enforcement of rules and regulations for the government, conduct, and discipline of the United States Park Police, the Secretary of the Interior may provide, in addition to any other penalties authorized by law, for fines of not to exceed \$100 and for suspensions without pay for not more than seven days for any violation of such rules and regulations.

U. S. Park  
Police.  
Disciplinary  
action.

(b) Disciplinary action involving a suspension without pay for three days or less may, after due notice to the accused, be taken pursuant to a summary proceeding by the Chief of the United States Park Police. Any person subject to such a proceeding shall be entitled to a trial board proceeding upon his request made at any time prior to the imposition of summary penalties but not thereafter.

(c) Disciplinary action against any member of the United States Park Police involving a fine or a suspension without pay for more than three days shall be taken only after a proceeding before a trial board and on the basis of written charges referred to the trial board by the Chief of the United States Park Police. Timely service of a copy of such charges shall be made upon the accused. Any such charges referred to a trial board may be altered or amended in the discretion of the trial board under such regulations as the Secretary may adopt. The accused shall be entitled to an opportunity to be heard before the trial board on any charge referred to it and on any altered or amended charge.

(d) Any member of the United States Park Police accused of violating the rules and regulations for the proper government, conduct, and discipline of the United States Park Police shall be entitled to representation by counsel of his choice.

Counsel for  
accused.

SEC. 2. (a) The Secretary of the Interior is authorized to create one or more trial boards for the trial of members of the United States Park Police who are charged with any violation of the rules and regulations for the proper government, conduct, and discipline of the United States Park Police; to prescribe the rules of procedure before such trial boards; and to change or abolish any trial board: *Provided, however,* That no changes in the rules of procedure shall be effective, and no trial boards shall be abolished or changed, with respect to charges upon which a hearing has already commenced. Each trial board shall consist of three persons designated by the Secretary. One and only one member of each such board shall be a member of the United States Park Police; he shall, except in the case of a trial of an officer with the rank of inspector, have a rank no lower than that of the accused. The other two members shall be employed in the Department of the Interior and hold a grade at least equivalent to that of the accused. The Secretary shall designate the chairman of each trial board.

Trial boards,  
creation.

(b) The findings and sentence of a trial board with respect to fines and suspensions within the limits authorized by this Act shall be final and conclusive unless notice of an appeal therefrom in writing is given within ten days to the Secretary of the Interior. If such notice is given, the accused may present his appeal to the Secretary in writing. The Secretary may grant or request an oral presentation of such appeal. The Secretary is authorized, but is not required, in his review of the evidence and findings of a trial board to receive new

Appeals.

evidence, either oral, written, or documentary: *Provided*, That if any new evidence is received, the accused shall be accorded the right of such submission, and he is authorized to confirm or modify the findings and sentence of a trial board, to dismiss the charges, or to remand the case to the trial board for such further proceedings as he may deem necessary, but no such modification shall increase the severity of the sentence of the trial board. Notwithstanding the provisions of this or any other law, the decision of the Secretary on appeal with respect to fines and suspensions within the limits authorized by this Act shall be final and conclusive. Any other decision of the Secretary shall be subject to such appeal, if any, as may otherwise be authorized by law.

Oaths.

SEC. 3. (a) The Chairman of any trial board appointed pursuant to this Act is authorized to administer oaths and to take affirmations of witnesses before such board.

Subpenas,  
issuance.

(b) Any trial board appointed pursuant to this Act shall, in any proceeding before it, have the power to issue subpenas in the name of the chief judge of the United States District Court for the District of Columbia to compel witnesses to appear and testify and to produce all relevant books, records, papers, or documents. Witnesses other than those employed by the United States Department of the Interior who are subpoenaed to appear before a trial board shall be entitled to the same fees that are paid to witnesses for attendance before the United States District Court for the District of Columbia, but such fees need not be tendered to the witnesses in advance of their appearing and testifying or producing books, records, papers, or documents.

Perjury.

(c) Any willful false swearing on the part of any witness before a trial board provided for herein as to any material fact shall be deemed to be perjury and shall be punished in the manner prescribed by law for such offense.

(d) If any witness who has been personally summoned shall neglect or refuse to obey a subpoena issued pursuant to this Act, the chairman of the trial board may report that fact to the United States District Court for the District of Columbia or to one of the judges thereof and said court, or any judge thereof, is authorized to compel obedience to the subpoena to the same extent that witness may be compelled to obey the subpoenas of that court.

SEC. 4. Each member of a trial board appointed pursuant to this Act shall take an oath for the faithful and impartial performance of the duties of the office.

SEC. 5. The rules and regulations of the United States Park Police which are in effect as of the date of the approval of this Act are hereby ratified and shall remain in force until changed, altered, amended, or abolished by the Secretary of the Interior.

Approved October 11, 1962.

## Public Law 87-798

### AN ACT

October 11, 1962  
[H. R. 12653]

To amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such Act.

Real estate  
loans.  
75 Stat. 308.  
7 USC 1928.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 308 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out the figure "\$150,000,000" and inserting in lieu thereof the figure "\$200,000,000".

Approved October 11, 1962.

## Public Law 87-799

## AN ACT

To authorize the Secretary of the Interior to participate in financing the construction of a bridge at Cape Hatteras National Seashore, in the State of North Carolina, and for other purposes.

October 11, 1962  
[H. R. 8983]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate visitor travel within Cape Hatteras National Seashore the Secretary of the Interior is authorized to pay \$500,000 toward the cost of construction of a bridge across Oregon Inlet between Bodie and Hatteras Islands, in the State of North Carolina, exclusive of any financing for which the project may qualify under the Federal aid to highway laws: *Provided*, That the bridge shall constitute and be maintained as a part of the State highway system.

Oregon Inlet,  
N. C.  
Bridge construction cost, participation authorization.

SEC. 2. The Secretary may make payments on the cost of construction of the bridge referred to in section 1 of this Act only from funds specifically appropriated for that purpose.

Approved October 11, 1962.

## Public Law 87-800

## AN ACT

To provide for the removal of an encumbrance on the title of certain real property heretofore conveyed to the Board of Education of the Vallejo School District, Vallejo, California, by the United States Housing Corporation.

October 11, 1962  
[H. R. 9491]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Administrator of General Services shall convey to the Vallejo Unified School District, Vallejo, California, without monetary consideration to the United States, all right, title, and interest of the United States in and to the real property situated in the township of Vallejo, county of Solano, State of California, which real property was conveyed to the Board of Education of the Vallejo School District, Vallejo, California, by the United States Housing Corporation by deed dated June 22, 1928, recorded in book 17 at page 400 in the office of the County Recorder of the county of Solano, State of California.

Vallejo Unified  
School District,  
Vallejo, Calif.  
Title.

Approved October 11, 1962.

## Public Law 87-801

## AN ACT

To amend section 309 of the Food and Agriculture Act of 1962.

October 11, 1962  
[H. R. 13241]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That item (7) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(7)), as amended by section 309 of the Food and Agriculture Act of 1962, is amended by changing the period at the end thereof to a comma and adding "or 1963."

Food and Agriculture Act of 1962, amendment. 75 Stat. 297; Ante, p. 618.

Approved October 11, 1962.

## Public Law 87-802

October 11, 1962  
[S. 1651]

## AN ACT

To authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding \$50,000.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of section 3 of Reorganization Plan Numbered 5 of 1952 is amended by striking "\$25,000" and inserting in lieu thereof "\$50,000".

Approved October 11, 1962.

66 Stat. 824.  
D. C. Code  
title 1 app.

## Public Law 87-803

October 11, 1962  
[S. 3152]

## AN ACT

To provide for the nutritional enrichment and sanitary packaging of rice prior to its distribution under certain Federal programs, including the national school lunch program.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 201(a) of the Act of September 21, 1959 (73 Stat. 606, 610), is amended (1) by striking out "cornmeal, grits, and white flour" and inserting in lieu thereof "cornmeal, grits, rice, and white flour", (2) by inserting "enriched rice," immediately after "enriched corn grits," (3) by adding after the word "pounds" in the last sentence thereof the following phrase "unless a larger container is requested by the recipient agency", and (4) by adding at the end thereof the following new sentence: "Nothing in this section shall prohibit the distribution of fortified parboiled rice which is substantially equal in nutritional value to that of enriched rice."

Approved October 11, 1962.

Rice.  
Enrichment and  
packaging.  
7 USC 1431c.

## Public Law 87-804

October 15, 1962  
[S. J. Res. 214]

## JOINT RESOLUTION

Authorizing the President of the United States to designate the period from November 26, 1962, through December 2, 1962, as National Cultural Center Week.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States is hereby authorized and requested to issue a proclamation designating the period from November 26, 1962, through December 2, 1962, as National Cultural Center Week; urging all persons, organizations, and governmental agencies involved in fostering the performing arts in this Nation to publicize and observe such week; and calling upon the Governors of the States to join in promoting the National Cultural Center campaign.

Approved October 15, 1962.

National Cul-  
tural Center Week.

## Public Law 87-805

## AN ACT

To amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State.

October 15, 1962  
[S. 320]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (1) of subsection (a) of section 206 of the Interstate Commerce Act is amended by striking out the last two sentences and by inserting in lieu thereof the following: "Pending the determination of any such application the continuance of such operation shall be lawful."

SEC. 2. Subsection (a) of section 206 of the Interstate Commerce Act is amended by adding at the end thereof the following new paragraphs:

"(6) On and after the date of the enactment of this paragraph no certificate of public convenience and necessity under this part shall be required for operations in interstate or foreign commerce by a common carrier by motor vehicle operating solely within a single State and not controlled by, controlling, or under a common control with any carrier engaged in operations outside such State, if such carrier has obtained from the commission of such State authorized to issue such certificates, a certificate of public convenience and necessity authorizing motor vehicle common carrier operations in intrastate commerce and such certificate recites that it was issued after notice to interested persons through publication in the Federal Register of the filing of the application and of the desire of the applicant also to engage in transportation in interstate and foreign commerce within the limits of the intrastate authority granted, that reasonable opportunity was afforded interested persons to be heard, that the State commission has duly considered the question of the proposed interstate and foreign operations and has found that public convenience and necessity require that the carrier authorized to engage in intrastate operations also be authorized to engage in operations in interstate and foreign commerce within limits which do not exceed the scope of the intrastate operations authorized to be conducted. Such operations in interstate and foreign commerce shall, however, be subject to all other applicable requirements of this Act and the regulations prescribed hereunder. Such rights to engage in operations in interstate or foreign commerce shall be evidenced by appropriate certificates of registration issued by the Commission which shall be valid only so long as the holder is a carrier engaged in operations solely within a single State, not controlled by, controlling, or under a common control with a carrier engaged in operation outside such State, and except as provided in section 5 and in the conditions and limitations stated herein, may be transferred pursuant to such rules and regulations as may be prescribed by the Commission, but may not be transferred apart from the transfer of the corresponding intrastate certificate, and the transfer of the intrastate certificate without the interstate or foreign rights shall terminate the right to engage in interstate or foreign commerce. The termination, restriction in scope, or suspension of the intrastate certificate shall on the 180th day thereafter terminate or similarly restrict the right to engage in interstate or foreign commerce unless the intrastate certificate shall have been renewed, reissued, or reinstated or the restrictions removed within said one hundred eighty-day period. Such rights shall be subject to suspension or termination by the Commission in accordance with the provisions of this Act governing the suspension and termination of certificates issued by the Commission. The Commission may impose reasonable requirements with respect to the filing

Interstate Commerce Act, amendment.  
49 Stat. 551.  
49 USC 306.

74 Stat. 382.

Intrastate motor carriers, interstate operations.

Publication in F. R.

Certification of registration.

54 Stat. 905.  
49 USC 5.

Termination date.

with it of certified copies of such State certificates and other appropriate statements and data, and compliance with applicable requirements established by and under the authority of statutes applicable to interstate and foreign operations administered by the Commission, as conditions precedent to engaging in interstate and foreign operations under the authority of such State certificate. In accordance with such reasonable rules as may be prescribed by the Commission, any party in interest, who or which opposed in the State commission proceeding the authorization of operations in interstate or foreign commerce, may petition the Commission for reconsideration of the decision of the State commission authorizing operations in interstate or foreign commerce, and upon such reconsideration upon the record made before the State commission, the Commission may affirm, reverse, or modify the decision of the State commission, but only with respect to the authorization of operations in interstate and foreign commerce.

“(7) (A) In the case of any person who or which on the date of the enactment of this paragraph was in operation solely within a single State as a common carrier by motor vehicle in intrastate commerce (excluding persons controlled by, controlling, or under a common control with, a carrier engaged in operations outside such State), and who or which was also lawfully engaged in such operations in interstate or foreign commerce under the certificate exemption provisions of the second proviso of paragraph (1) of this subsection, as in effect immediately before the date of the enactment of this paragraph or who or which would have been so lawfully engaged in such operations but for the pendency of litigation to determine the validity of such person's intrastate operations to the extent such litigation is resolved in favor of such person, and has continued to so operate since that date (or if engaged in furnishing seasonal service only, was lawfully engaged in such operations in the year 1961 during the season ordinarily covered by its operations, and such operations have not been discontinued), except in either instance as to interruptions of service over which such person had no control, the Commission shall issue to such person a certificate of registration authorizing the continuance of such transportation in interstate and foreign commerce if application and proof of operations are submitted as provided in this subsection. Such certificate of registration shall not exceed in scope the services authorized by the State certificate to be conducted in intrastate commerce, and shall be subject to the same terms, conditions, and limitations as are contained in or attached to the State certificate except to the extent that such terms, conditions, or limitations are inconsistent with the requirements established by or under this Act. If the effectiveness of the State certificate is limited to a specified period of time, the certificate of registration issued under this paragraph (7) shall be similarly limited. Operations in interstate and foreign commerce under such certificates of registration shall be subject to all other applicable requirements of this Act and the regulations prescribed hereunder. Certificates of registration shall be valid only so long as the holder is a carrier engaged in operation solely within a single State, not controlled by, controlling, or under a common control with a carrier engaged in operation outside such State, and except as provided in section 5 and in the conditions and limitations stated herein, may be transferred pursuant to such rules and regulations as may be prescribed by the Commission, but may not be transferred apart from the transfer of the corresponding intrastate certificate, and the transfer of the intrastate certificate without the interstate or foreign rights shall terminate the right to engage in interstate or foreign commerce. The termination, restriction in scope, or suspension of the intrastate certificate shall on the 180th day thereafter terminate or similarly restrict the right to engage in interstate or foreign commerce unless

State certificate.

54 Stat. 905.  
49 USC 5.

Termination date.

the intrastate certificate shall have been renewed, reissued, or reinstated or the restrictions removed within said one hundred and eighty-day period. Such certificates of registration shall be subject to suspension or termination by the Commission in accordance with the provisions of this Act governing the suspension and termination of certificates of public convenience and necessity issued by the Commission.

“(B) All rights to engage in operations in interstate and foreign commerce under the provisions of the second proviso of paragraph (1) of this subsection, as in effect immediately before the date of the enactment of this paragraph, shall cease and terminate, but any carrier lawfully engaged in interstate and foreign operations on the date of the enactment of this paragraph or any carrier who would have been so lawfully engaged in such operations but for the pendency of litigation to determine the validity of such person’s intrastate operations to the extent such litigation is resolved in favor of such person, pursuant to such provisions, may continue such operations for 120 days after such date and, if an appropriate application for a certificate of registration is filed within such period, such operations may be continued pending the determination of such application. The Commission shall prescribe the form of such application, the information and documents to be furnished, the manner of filing, and the persons to whom or the manner of giving notice to interested persons of such filings. Issues arising in the determination of such applications shall be determined in the most expeditious manner and, so far as practicable and legally permissible, without formal hearings or other proceedings. A notice of intent to engage in interstate and foreign operations accompanied by certified copies of effective, lawfully issued or acquired State certificates filed with the Commission as evidence of authority to operate in interstate or foreign commerce under the provisions of the second proviso of paragraph (1) of this subsection, as in effect immediately before the date of the enactment of this paragraph, shall be conclusive proof that the applicant is lawfully engaged in interstate and foreign operations and the scope thereof.”

Pendency of  
litigation.

Notice of  
intent.

Approved October 15, 1962.

## Public Law 87-806

### AN ACT

To set aside certain lands in Washington for Indians of the Quinault Tribe.

October 15, 1962  
[S. 507]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That lands heretofore set aside under the provisions of the Act of August 22, 1914 (38 Stat. 704), for lighthouse purposes at or near Cape Elizabeth on the Quinault Indian Reservation, State of Washington, and consisting of eighty-five and five one-hundredths acres, more or less, in lots 1, 2, and 3 in section 34, township 22 north, range 13 west, Willamette meridian, which lands are excess to the needs of the Treasury Department, shall be, and the same are hereby, set aside in trust for the Quinault Tribe of Indians, in the same manner and to the same extent as other real property held in trust by the United States for said tribe.

Indians.  
Certain trust  
lands.

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

Indian Claims  
Commission.

25 USC 70a.

Approved October 15, 1962.

## Public Law 87-807

October 15, 1962  
[S. 914]

## AN ACT

To provide for more effective administration of public assistance in the District of Columbia, to make certain relatives responsible for support of needy persons, and for other purposes.

District of Co-  
lumbia Public  
Assistance Act  
of 1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "District of Columbia Public Assistance Act of 1962".

## DEFINITIONS

SEC. 2. As used in this Act, the word "District" means the District of Columbia; the word "Commissioners" means the Commissioners of the District of Columbia or the agents, agencies, officers, and employees designated by them to perform any function vested in them by this Act; the term "public assistance" means payment in or by money, medical care, remedial care, goods or services to, or for the benefit of, needy persons; the word "recipient" means a person to whom or on whose behalf public assistance is granted and the word "State" includes Puerto Rico, Guam, and the Virgin Islands.

## CATEGORIES AND ADMINISTRATION OF PUBLIC ASSISTANCE

SEC. 3. (a) The following categories of public assistance are hereby established:

- (1) Old Age Assistance;
- (2) Aid to the Blind;
- (3) Aid to the Disabled;
- (4) Aid to Dependent Children;
- (5) General Public Assistance.

(b) This Act shall be administered by the Commissioners who shall—

- (1) provide for maximum cooperation with other agencies rendering services to maintain and strengthen family life and to help applicants for public assistance and recipients to attain self-support or self-care;
- (2) establish and enforce such rules and regulations as may be necessary or desirable to carry out the provisions of this Act;
- (3) cooperate in all necessary respects with agencies of the United States Government in the administration of this Act, and accept any funds, goods, or services payable to the District for public assistance and for administering public assistance;
- (4) enter into reciprocal agreements with any State relative to the provision of public assistance to residents and nonresidents.

## ELIGIBILITY FOR PUBLIC ASSISTANCE

SEC. 4. Public assistance shall be awarded to or on behalf of any needy individual who either (a) has resided in the District for one year immediately preceding the date of filing his application for such assistance; or (b) who was born within one year immediately preceding the application for such aid, if the parent or other relative with whom the child is living has resided in the District for one year immediately preceding the birth; or (c) is otherwise within one of the categories of public assistance established by this Act: *Provided*, That no persons shall be eligible for old-age assistance established by category number 1, subsection (a) of section 3 of this Act, unless



he has resided in the District for five years or more within the nine years immediately preceding application for such assistance, and who has resided continuously therein for one year immediately preceding the said application.

#### AMOUNT OF PUBLIC ASSISTANCE

SEC. 5. (a) The amount of public assistance which any person shall receive shall be determined in accordance with regulations approved by the Commissioners.

(b) Such amount as referred to in subsection (a) of this section shall not be less than the full amount determined as necessary on the basis of the minimum needs of such person as established in accordance with such regulations.

(c) The provisions of subsection (b) of this section shall become effective upon enactment.

#### APPLICATION FOR PUBLIC ASSISTANCE

SEC. 6. Application for public assistance shall be accepted from, or on behalf of, any person who believes himself eligible for public assistance. Such application shall be made in the manner and form prescribed by the Commissioners, and shall contain such information as the Commissioners shall require.

#### INVESTIGATION OF APPLICANT

SEC. 7. Whenever the Commissioners shall receive an application for public assistance, they shall promptly make an investigation and record of the circumstances of the applicant in order to ascertain the facts supporting the application and to obtain such other information as they may require.

#### AWARD AND PAYMENT OF PUBLIC ASSISTANCE

SEC. 8. (a) Upon completion of the investigation, the Commissioners shall determine whether the applicant is eligible for public assistance, the type and amount of public assistance for which he is eligible, and the date from which such public assistance shall begin, and shall furnish public assistance with reasonable promptness to all eligible persons: *Provided*, That such date shall not be prior to the first day of the calendar month in which such determination is made, except that as a result of reconsideration or review of a case, and in order to correct previous erroneous administrative action such as undue delay or improper denial of assistance, an initial payment of public assistance may be made for a period beginning prior to the first day of the calendar month in which the eligibility determination is made.

(b) Money payments of public assistance shall be made by check, except that in emergency cases under section 10 of this Act, money payments of public assistance may be made in cash, and to accomplish such purpose the Commissioners are authorized to make necessary provisions for advancing from time to time to one or more officers or employees of the District such sum or sums as the Commissioners may determine: *Provided*, That no such advance shall be made to any such officer or employee who has not been previously bonded in such amount and form as the Commissioners shall determine.

## RECIPIENT INCAPACITATED

SEC. 9. Whenever a recipient has been found by the Commissioners to be incapable of taking care of himself, his property, or his money, and a person has been judicially appointed as legal representative, or a responsible person has been appointed by the Commissioners, on behalf of such incapacitated individual for the purpose of receiving and managing such individual's public assistance payments (whether or not he is such individual's legal representative for other purposes), public assistance payments may be made on behalf of such individual to such judicially appointed legal representative, or to such responsible person appointed by the Commissioners.

## EMERGENCY PUBLIC ASSISTANCE

SEC. 10. The Commissioners may grant emergency public assistance pending completion of investigation when eligibility has been established pursuant to section 4 of this Act: *Provided*, That such emergency assistance shall not be granted in any case for a period exceeding thirty days.

## REDETERMINATION OF GRANTS

SEC. 11. All public assistance grants made under this Act shall be reconsidered by the Commissioners as frequently as they may deem necessary, but in every case the Commissioners shall make such reconsiderations at least once in each year. After such further investigation as the Commissioners may deem necessary, the amount of public assistance may be changed, or may be entirely withdrawn, if the Commissioners find that any such grant has been made erroneously, or if they find that the recipient's circumstances have altered sufficiently to warrant such action. If at any time during the continuance of public assistance the recipient thereof becomes possessed of income or resources in excess of the amount previously reported by him, or if other changes should occur in the circumstances previously reported by him which would alter either his need or his eligibility, it shall be his duty to notify the Commissioners of such fact immediately on the receipt or possession of such additional income or resources, or on the change of circumstances.

## RECORDS

SEC. 12. (a) The Commissioners are directed to prescribe regulations governing the custody, use, and preservation of the records, papers, files, and communications of the Commissioners relating to public assistance. Except as herein otherwise provided, such regulations shall provide safeguards restricting the use or disclosure of information concerning applicants for, or recipients of, public assistance to purposes directly connected with the administration of public assistance. The Commissioners are authorized in their discretion to include in such regulations provision for the public to have access to the records of disbursement or payment of public assistance made after the effective date of this Act.

(b) No person who obtains information by virtue of any regulation made pursuant to subsection (a) of this section shall use such information for commercial or political purposes.

(c) This section and section 13 of this Act shall be construed as State legislation conforming to the requirements of section 618 of the Revenue Act of 1951 (Public Law 183, Eighty-second Congress).

## PENALTIES

SEC. 13. Any person violating subsection (b) of section 12 of this Act shall be punished by a fine of not more than \$500, or by imprisonment of not more than ninety days, or by both such fine and imprisonment. Prosecutions for such violations and for violations of section 17(a) of this Act shall be brought to the municipal court for the District of Columbia by the Corporation Counsel or any of his assistants.

## FUNERAL EXPENSES

SEC. 14. On the death of a recipient, reasonable funeral expenses may be paid, subject to rules and regulations approved by the Commissioners.

## HEARINGS

SEC. 15. An applicant for, or recipient of, public assistance aggrieved by the action or inaction of the Commissioners shall be entitled to a hearing. Each applicant or recipient shall be notified of his rights to a hearing. Upon request for such hearing, reasonable notice of the time and place thereof shall be given to such applicant or recipient. Such hearing shall be conducted in accordance with rules and regulations prescribed by the Commissioners. The findings of the Commissioners on any appeal shall be final.

## PUBLIC ASSISTANCE NOT ASSIGNABLE

SEC. 16. Public assistance awarded under this Act shall not be transferable or assignable at law or in equity, and none of the money paid or payable to any recipient under this Act shall be subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law.

## FRAUD IN OBTAINING PUBLIC ASSISTANCE—REPAYMENT

SEC. 17. (a) Any person who by means of false statement, failure to disclose information, or impersonation, or by other fraudulent device obtains or attempts to obtain or any person who knowingly aids or abets such person in the obtaining or attempting to obtain, (1) any grant or payment of public assistance to which he is not entitled; (2) a larger amount of public assistance than that to which he is entitled; or (3) payment of any forfeited grant of public assistance; or any person who with intent to defraud the District aids or abets in the buying or in any way disposing of the real property of a recipient of public assistance, shall be guilty of a misdemeanor and shall be sentenced to pay a fine of not more than \$500, or imprisoned not to exceed one year, or both.

(b) Any person who obtains any payment of public assistance to which he is not entitled, or in excess of that to which he is entitled shall be liable to repay such sum, or if continued on assistance, shall have future grants proportionately reduced until the excess amount received has been repaid. In any case in which, under this section, a person is liable to repay any sum, such sum may be collected without interest by civil action brought in the name of the District. Any repayment required by this subsection may, in the discretion of the Commissioners, be waived in whole or in part, upon a finding by the Commissioners that such repayment would deprive such person, his spouse, parent, or child of shelter or subsistence needed to enable such person, spouse, parent, or child to maintain a minimum standard of health and well-being.

## PROPERTY

SEC. 18. (a) At the death of any person who has received public assistance in the form of old-age assistance, or aid to the disabled pursuant to the provisions of this Act, or of any Act repealed by this Act, the District shall have a preferred claim for the amount of any such public assistance against the estate of the deceased recipient. Notwithstanding the provisions of any other law, no statute of limitations shall be deemed applicable as a defense to any claim of the District made pursuant to this section. The Commissioners are authorized to waive any such claim when in their judgment they deem it appropriate to do so.

Notice.

(b) In addition to the remedy provided by subsection (a) of this section, or by any other provision of law, the Commissioners may file a notice in the office of the Recorder of Deeds in any case where public assistance in the form of old-age assistance or aid to the disabled is granted to any person under this Act, and such notice shall constitute and have the effect of a lien in favor of the District against the real and personal property of such person for the amount of such public assistance which theretofore has been granted or which may thereafter be granted to, or on behalf of, such persons. Any such lien may be enforced by a proceeding filed in the United States District Court for the District of Columbia. The Commissioners shall file in the office of the Recorder of Deeds a release of any such real and personal property from the effect of such lien whenever there has been repaid to the District the amount of the public assistance theretofore granted to, or on behalf of, such person. The Commissioners are also authorized to release any such lien when in their judgment they deem it appropriate to do so. Such notices and releases may be filed without payment of fees.

49 Stat. 620.

(c) If the District collects from any recipient of public assistance in the form of old-age assistance or aid to the disabled or from his estate, or otherwise, any amount with respect to public assistance furnished him under this Act, or under any Act repealed by this Act, the pro rata share to which the United States is equitably entitled shall be paid to the United States in accordance with the provisions of the Social Security Act, as amended (42 U.S.C. 303, 603, 1203, 1353). The pro rata share due the District shall be deposited as miscellaneous receipts to the credit of the District.

## RESPONSIBLE RELATIVES

SEC. 19. (a) The husband, wife, father, mother, or adult child of a recipient of public assistance, or of a person in need thereof, shall, according to his ability to pay, be responsible for the support of such person. Any such recipient of public assistance or person in need thereof or the Commissioners may bring an action to require such husband, wife, father, mother, or adult child to provide such support and the court shall have the power to make orders requiring such husband, wife, father, mother, or adult child to pay to such recipient of public assistance or to such person in need thereof such sum or sums of money in such installments as the court in its discretion may direct and such orders may be enforced in the same manner as orders for alimony.

(b) The Commissioners shall be empowered on behalf of the District to sue such husband, wife, father, mother, or adult child for the amount of public assistance granted under this Act or under any Act repealed by this Act to such recipient or for so much thereof as such husband, wife, father, mother, or adult child is reasonably able to pay.

(c) All suits, actions, and court proceedings under this section shall be brought in the domestic relations branch of the municipal court for the District of Columbia. To the extent applicable, the provisions of the Act entitled "An Act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes", approved April 11, 1956, shall be followed in suits, actions, and proceedings brought pursuant to this section.

70 Stat. 111.  
D. C. Code  
11-758.

#### PAYMENT OF EXPENSES

SEC. 20. All necessary expenses incurred by the District in carrying out the provisions of this Act shall be disbursed in the same manner as other expenses of the District are disbursed.

#### DELEGATION OF AUTHORITY

SEC. 21. The Commissioners are authorized to make provisions for delegation and subdelegation of any function vested in them by this Act to any agency, officer, or employee of the District.

#### VOLUNTARY SERVICES

SEC. 22. The Commissioners are authorized to accept voluntary services in administering the provisions of this Act. Such voluntary services shall not create any obligation against the District.

#### APPROPRIATIONS

SEC. 23. (a) The Commissioners shall include in their annual estimates of appropriations such sums as may be needed to carry out the provisions of this Act.

(b) Unobligated balances of appropriations for the Department of Public Welfare are hereby made available for the purposes of this Act.

#### REPEALS

SEC. 24. The following Acts are hereby repealed: The Act entitled "An Act to provide aid to dependent children in the District of Columbia", approved June 14, 1944 (58 Stat. 277); the Act entitled "An Act to amend the code of laws for the District of Columbia in relation to providing assistance against old-age want", approved August 24, 1935 (49 Stat. 747); and the Act entitled "An Act to provide aid for needy blind persons of the District of Columbia and authorizing appropriations therefor", approved August 24, 1935 (49 Stat. 744), as amended. Notwithstanding such repeal, all claims of the District of Columbia for recovery of amounts expended for aid or assistance granted under such repealed Acts which it now has, or which would have accrued had such Acts not been repealed, shall be recoverable in the same manner and to the same extent as such amounts would be recoverable had such aid or assistance been granted under the provisions of this Act.

D. C. Code  
32-751.

D. C. Code  
46-201.

D. C. Code  
46-101.

#### REORGANIZATION

SEC. 25. This Act shall not be considered as affecting the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824), and the performance of any function vested by said plan in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners shall continue to be subject to delega-

D. C. Code  
title 1 app.

tion by said Board of Commissioners in accordance with section 3 of such plan. Any function vested by this Act in any agency established pursuant to such plan shall be deemed to be vested in said Board of Commissioners and shall be subject to delegation in accordance with such plan.

#### VALIDITY

SEC. 26. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

#### EFFECTIVE DATE

SEC. 27. Except as otherwise provided in this Act, the provisions of this Act shall take effect on the first day of the second month following the date of enactment.

Approved October 15, 1962.

### Public Law 87-808

October 15, 1962  
[S. 2454]

#### AN ACT

To amend the Housing Amendments of 1955 to make Indian tribes eligible for Federal loans to finance public works or facilities, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 201 of the Housing Amendments of 1955 is amended by—

(a) striking out in the first paragraph “subdivisions” and inserting in lieu thereof “subdivisions, and Indian tribes”;

(b) striking out in the second paragraph “States,” and inserting in lieu thereof “States, and Indian tribes,”; and

(c) striking out in the third paragraph “of States,” and inserting in lieu thereof “of States, and Indian tribes,”.

SEC. 2. Section 202 of such Act is amended by—

(a) striking out in clause (1) of subsection (a) “same State),” and inserting in lieu thereof “same State), and Indian tribes”;

(b) inserting “, or an Indian tribe” before the period at the end of the second sentence in subsection (c).

SEC. 3. Section 207 of such Act is amended by striking out in the first sentence “instrumentalities” and inserting in lieu thereof “instrumentalities, and Indian tribes”.

Approved October 15, 1962.

### Public Law 87-809

October 15, 1962  
[S. J. Res. 235]

#### JOINT RESOLUTION

To extend the time during which loans for mass transportation facilities may be made under title II of the Housing Amendments of 1955.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 202(d) of the Housing Amendments of 1955 is amended by striking out “December 31, 1962” and inserting in lieu thereof “June 30, 1963”.

Approved October 15, 1962.

Indians.  
Public works  
loans, eligibility.  
69 Stat. 642.  
42 USC 1491.

75 Stat. 173.  
42 USC 1492.

75 Stat. 175.  
42 USC 1497.

75 Stat. 174.  
42 USC 1492.

## Public Law 87-810

## AN ACT

October 15, 1962  
[S. 962]

To amend the Federal Aviation Act of 1958, as amended, to aid the Civil Aeronautics Board in the investigation of aircraft accidents, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 701(c) of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following:

Federal Aviation  
Act of 1958,  
amendment.  
Aircraft acci-  
dents.  
72 Stat. 781.  
49 USC 1441.

"In carrying out its duties under this title, the Board is authorized to examine and test to the extent necessary any civil aircraft, aircraft engine, propeller, appliance, or property aboard an aircraft involved in an accident in air commerce. In the case of any fatal accident, the Board is authorized to examine the remains of any deceased person aboard the aircraft at the time of the accident, who dies as a result of the accident, and to conduct autopsies or such other tests thereof as may be necessary to the investigation of the accident: *Provided*, That to the extent consistent with the needs of the accident investigation, provisions of local law protecting religious beliefs with respect to autopsies shall be observed."

SEC. 2. Section 701(d) of the Federal Aviation Act is amended to read:

"Aircraft

"(d) Any civil aircraft, aircraft engine, propeller, appliance, or property aboard an aircraft involved in an accident in air commerce, shall be preserved in accordance with, and shall not be moved except in accordance with, regulations prescribed by the Board."

SEC. 3. Section 1105 of the Federal Aviation Act of 1958 is amended by inserting after the first sentence thereof the following:

49 USC 1505.

"The Board may avail itself of the assistance of the Federal Bureau of Investigation and of any investigatory or intelligence agency of the United States in the investigation of the activities of any person in connection with an aircraft accident. The Board may avail itself of the assistance of any medical agency of the United States in the conduct of such autopsies or tests on the remains of deceased persons aboard the aircraft at the time of the accident, who die as a result of the accident, as may be necessary to aid the Board in the investigation of an aircraft accident."

SEC. 4. Section 902 of the Federal Aviation Act is amended by adding thereto a new subsection (o) to read:

72 Stat. 784;  
75 Stat. 466.  
49 USC 1472.

"Interference With Aircraft Accident Investigation

"(o) Any person who knowingly and without authority removes, conceals, or withholds any part of a civil aircraft involved in an accident, or any property which was aboard such aircraft at the time of the accident, shall be subject to a fine of no less than \$100 nor more than \$5,000, or imprisonment for not more than one year, or both."

SEC. 5. Section 203 of the Federal Aviation Act of 1958 is amended by adding thereto a new subsection (c) to read:

72 Stat. 742.  
49 USC 1323.

"Acceptance of Donations

"(c) The Board, on behalf of the United States, is authorized to accept any gift or donation of money or personal property, or of services, where appropriate, for the purposes of its functions under

49 USC 1441-1443.

63 Stat. 377.  
40 USC 471  
note.

title VII of this Act. For adequate compensation, by sale, lease, or otherwise, the Board, on behalf of the United States, is authorized to dispose of any such personal property or interest therein: *Provided*, That such disposition shall be made in accordance with the Federal Property and Administrative Services Act of 1949, as amended."

Approved October 15, 1962.

### Public Law 87-811

October 15, 1962  
[S. 1288]

#### AN ACT

To amend section 362(b) of the Communications Act of 1934.

Vessels.  
Communications  
equipment inspection, waiver.  
50 Stat. 196;  
68 Stat. 706.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following language be added to section 362(b) of the Communications Act of 1934 (47 U.S.C.A. 360):

"The Commission may, upon a finding that the public interest would be served thereby, waive the annual inspection required under this section from the time of first arrival at a United States port from a foreign port, for the sole purpose of enabling the vessel to proceed coastwise to another port in the United States where an inspection can be held: *Provided*, That such waiver may not exceed a period of thirty days."

Approved October 15, 1962.

### Public Law 87-812

October 15, 1962  
[S. 3504]

#### AN ACT

To amend the Migratory Bird Conservation Act.

45 Stat. 1225.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 18 of the Migratory Bird Conservation Act (16 U.S.C. 715q) is hereby amended by striking out "commisison" and inserting in lieu thereof "commission" and by striking out "\$5,000" and inserting in lieu thereof "\$7,500".

Approved October 15, 1962.

### Public Law 87-813

October 15, 1962  
[S. 3631]

#### AN ACT

To amend title 13, United States Code, to preserve the confidential nature of copies of reports filed with the Bureau of the Census on a confidential basis.

Census reports.  
68 Stat. 1013.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 9(a) of title 13, United States Code, is amended by adding at the end thereof the following: "No department, bureau, agency, officer, or employee of the Government, except the Secretary in carrying out the purposes of this title, shall require, for any reason, copies of census reports which have been retained by any such establishment or individual. Copies of census reports which have been so retained shall be immune from legal process, and shall not, without the consent of the individual or establishment concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding."

Approved October 15, 1962.



## Public Law 87-814

## AN ACT

October 15, 1962  
[S. 2568]

To amend the Act of September 7, 1950, to extend the regulatory authority of the Federal and State agencies concerned under the terms of the Convention for the Establishment of an Inter-American Tropical Tuna Commission, signed at Washington May 31, 1949, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled "Tuna Conventions Act of 1950" (16 U.S.C. 951) is amended by repealing subsection (e) in its entirety and substituting therefor a new subsection (e) as follows:

"(e) 'United States' shall include all areas under the sovereignty of the United States, the Trust Territory of the Pacific Islands, and the Canal Zone."

SEC. 2. Section 6 of the Act entitled "Tuna Conventions Act of 1950" (16 U.S.C. 955) is amended by striking out the phrase "head of the enforcement agency" where it appears once each in subsections (a) and (b) and inserting in lieu thereof in both places the term "Secretary of the Interior," and by adding a new subsection (c) immediately following subsection (b), as follows:

"(c) Regulations required to carry out recommendations of the commission made pursuant to paragraph 5 of article II of the Convention for the Establishment of an Inter-American Tropical Tuna Commission shall be promulgated as hereinafter provided by the Secretary of the Interior upon approval of such recommendations by the Secretary of State and the Secretary of the Interior. The Secretary of the Interior shall cause to be published in the Federal Register a general notice of proposed rulemaking and shall afford interested persons an opportunity to participate in the rulemaking through (1) submission of written data, views, or arguments, and (2) oral presentation at a public hearing. Such regulations shall be published in the Federal Register and shall be accompanied by a statement of the considerations involved in the issuance of the regulations. After publication in the Federal Register such regulations shall be applicable to all vessels and persons subject to the jurisdiction of the United States on such date as the Secretary of the Interior shall prescribe, but in no event prior to an agreed date for the application by all countries whose vessels engage in fishing for species covered by the convention in the regulatory area on a meaningful scale, in terms of effect upon the success of the conservation program, of effective measures for the implementation of the commission's recommendations applicable to all vessels and persons subject to their respective jurisdictions. The Secretary of the Interior shall suspend at any time the application of any such regulations when, after consultation with the Secretary of State and the United States Commissioners, he determines that foreign fishing operations in the regulatory area are such as to constitute a serious threat to the achievement of the objectives of the commission's recommendations. The regulations thus promulgated may include the selection for regulation of one or more of the species covered by the convention; the division of the convention waters into areas; the establishment of one or more open or closed seasons as to each area; the limitation of the size of the fish and quantity of the catch which may be taken from each area within any season during which fishing is allowed; the limitation or prohibition of the incidental catch of a regulated species which may be retained, taken, possessed, or landed by vessels or persons fishing for other species of fish; the requiring of such clearance certificates for vessels as may be necessary to carry out the purposes of the convention and this Act; and such other measures incidental thereto as the Secretary of the Interior may

Tuna Conventions Act of 1950, amendment, 64 Stat. 777.

"United States."

Regulations.

1 UST 230.

Publication in F. R.

Applicability.

deem necessary to implement the recommendations of the commission: *Provided*, That upon the promulgation of any such regulations the Secretary of the Interior shall promulgate additional regulations, with the concurrence of the Secretary of State, which shall become effective simultaneously with the application of the regulations hereinbefore referred to (1) to prohibit the entry into the United States, from any country when the vessels of such country are being used in the conduct of fishing operations in the regulatory area in such manner or in such circumstances as would tend to diminish the effectiveness of the conservation recommendations of the commission, of fish in any form of those species which are subject to regulation pursuant to a recommendation of the commission and which were taken from the regulatory area; and (2) to prohibit entry into the United States, from any country, of fish in any form of those species which are subject to regulation pursuant to a recommendation of the commission and which were taken from the regulatory area by vessels other than those of such country in such manner or in such circumstances as would tend to diminish the effectiveness of the conservation recommendations of the commission. In the case of repeated and flagrant fishing operations in the regulatory area by the vessels of any country which seriously threaten the achievement of the objectives of the commission's recommendations, the Secretary of the Interior, with the concurrence of the Secretary of State, may, in his discretion, also prohibit the entry from such country of such other species of tuna, in any form, as may be under investigation by the commission and which were taken in the regulatory area. The aforesaid prohibitions shall continue until the Secretary of the Interior is satisfied that the condition warranting the prohibition no longer exists, except that all fish in any form of the species under regulation which were previously prohibited from entry shall continue to be prohibited from entry."

64 Stat. 778.

SEC. 3. Section 7 of the Act entitled "Tuna Conventions Act of 1950" (16 U.S.C. 956) is amended by deleting the section in its entirety and substituting in lieu thereof the following:

"Sec. 7. Any person authorized to carry out enforcement activities under this Act and any person authorized by the commissions shall have power without warrant or other process, to inspect, at any reasonable time, catch returns, statistical records, or other reports as are required by regulations adopted pursuant to this Act to be made, kept, or furnished."

Violations.

SEC. 4. Section 8 of the Act entitled "Tuna Conventions Act of 1950" (16 U.S.C. 957) is amended by deleting the section in its entirety and substituting in lieu thereof the following:

Ante, p. 923.

"Sec. 8. (a) It shall be unlawful for any master or other person in charge of a fishing vessel of the United States to engage in fishing in violation of any regulation adopted pursuant to section 6(c) of this Act, or for any person knowingly to ship, transport, purchase, sell, offer for sale, import, export, or have in custody, possession, or control any fish taken or retained in violation of such regulations.

"(b) It shall be unlawful for the master or any person in charge of any fishing vessel of the United States or any person on board such vessel to fail to make, keep, or furnish any catch returns, statistical records, or other reports as are required by regulations adopted pursuant to this Act to be made, kept, or furnished; or to fail to stop upon being hailed by a duly authorized official of the United States; or to refuse to permit the duly authorized officials of the United States or authorized officials of the commissions to board such vessel or inspect its catch, equipment, books, documents, records, or other articles or question the persons on board in accordance with the provisions of this Act, or the convention, as the case may be.

"(c) It shall be unlawful for any person to import, in violation of any regulation adopted pursuant to section 6(c) of this Act, from any country, any fish in any form of those species subject to regulation pursuant to a recommendation of the commission, or any tuna in any form not under regulation but under investigation by the commission, during the period such fish have been denied entry in accordance with the provisions of section 6(c) of this Act. In the case of any fish as described in this subsection offered for entry into the United States, the Secretary of the Interior shall require proof satisfactory to him that such fish is not ineligible for such entry under the terms of section 6(c) of this Act.

Ante, p. 923.

"(d) Any person violating any provision of subsection (a) of this section shall be fined not more than \$25,000, and for a subsequent violation of any provisions of said subsection (a) shall be fined not more than \$50,000.

Penalties.

"(e) Any person violating any provision of subsection (b) of this section shall be fined not more than \$1,000, and for a subsequent violation of any provision of subsection (b) shall be fined not more than \$5,000.

"(f) Any person violating any provision of subsection (c) of this section shall be fined not more than \$100,000.

"(g) All fish taken or retained in violation of subsection (a) of this section, or the monetary value thereof, may be forfeited.

"(h) All provisions of law relating to the seizure, judicial forfeiture, and condemnation of a cargo for violation of the customs laws, the disposition of such cargo or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act."

Sec. 5. Section 10 of the Act entitled "Tuna Conventions Act of 1950" (16 U.S.C. 959) is amended by deleting the section in its entirety and substituting in lieu thereof the following:

64 Stat. 779.

"Sec. 10. (a) The judges of the United States district courts and United States commissioners may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and the regulations issued pursuant thereto.

Enforcement.

"(b) Enforcement of the provisions of this Act and the regulations issued pursuant thereto shall be the joint responsibility of the United States Coast Guard, the United States Department of the Interior, and the United States Bureau of Customs. In addition, the Secretary of the Interior may designate officers and employees of the States of the United States, of the Commonwealth of Puerto Rico, and of American Samoa to carry out enforcement activities hereunder. When so designated, such officers and employees are authorized to function as Federal law enforcement agents for these purposes.

"(c) Any person authorized to carry out enforcement activities hereunder shall have the power to execute any warrant or process issued by any officer or court of competent jurisdiction for the enforcement of this Act.

"(d) Such person so authorized shall have the power—

"(1) with or without a warrant or other process, to arrest any persons subject to the jurisdiction of the United States at any place within the jurisdiction of the United States committing in his presence or view a violation of this Act or the regulations issued thereunder;

"(2) with or without a warrant or other process, to search any vessel subject to the jurisdiction of the United States, and, if as a result of such search he has reasonable cause to believe that such

vessel or any person on board is engaging in operations in violation of the provisions of this Act or the regulations issued thereunder, then to arrest such person.

"(e) Such person so authorized may seize, whenever and wherever lawfully found; all fish taken or retained in violation of the provisions of this Act or the regulations issued pursuant thereto. Any fish so seized may be disposed of pursuant to the order of a court of competent jurisdiction, pursuant to the provisions of subsection (f) of this section or, if perishable, in a manner prescribed by regulations of the Secretary of the Interior.

"(f) Notwithstanding the provisions of section 2464 of title 28 of the United States Code, when a warrant of arrest or other process in rem is issued in any cause under this section, the marshal or other officer shall stay the execution of such process, or discharge any fish seized if the process has been levied, on receiving from the claimant of the fish a bond or stipulation for the value of the property with sufficient surety to be approved by a judge of the district court having jurisdiction of the offense, conditioned to deliver the fish seized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in such cause. Such bond or stipulation shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court. In the discretion of the accused, and subject to the direction of the court, the fish may be sold for not less than its reasonable market value and the proceeds of such sale placed in the registry of the court pending judgment in the case."

SEC. 6. Nothing in this Act shall be construed to amend or repeal the provisions of section 4311 of the Revised Statutes, as amended (46 U.S.C. 251).

Approved October 15, 1962.

## Public Law 87-815

### AN ACT

October 15, 1962  
[S. 2697]

To amend title 38, United States Code, to provide an extension of the period within which certain educational programs must be begun and completed in the case of persons called to active duty during the Berlin crisis, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1613 of title 38, United States Code, is amended by inserting "(a)" immediately before "No", and by adding at the end thereof the following new subsection:

"(b) In computing the three-year period referred to in section 1612(a) of this title and the eight- and five-year periods referred to in subsection (a) of this section, the Administrator shall disregard in the case of any eligible veteran any period of active duty performed by such veteran, before August 1, 1962, pursuant to (1) a call or order thereto issued to him as a Reserve after July 30, 1961, or (2) an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87-117."

SEC. 2. (a) Section 1712(a) of title 38, United States Code, is amended by redesignating paragraph (4) as paragraph (5), and by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) if the death of the parent from whom eligibility is derived

Veterans.  
Education or  
training, waiver of  
time limitation.  
72 Stat. 1177.

75 Stat. 242.  
10 USC 263  
note.  
War orphans'  
educational  
assistance.  
72 Stat. 1194.

occurs after the eligible person's eighteenth birthday but before his twenty-third birthday, then (unless paragraph (4) applies) such period shall end five years after the death of such parent;

"(4) if he serves on duty with the Armed Forces as an eligible person after his eighteenth birthday but before his twenty-third birthday, then such period shall end five years after his first discharge or release from such duty with the Armed Forces (excluding from such five years all periods during which the eligible person served on active duty before August 1, 1962, pursuant to (A) a call or order thereto issued to him as a Reserve after July 30, 1961, or (B) an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87-117); however, in no event shall such period be extended beyond his thirty-first birthday by reason of this paragraph; and".

(b) Section 2 of Public Law 86-236, and section 5 of Public Law 86-785, are each amended by inserting "(a)" immediately before "In the case of", and by adding at the end thereof the following:

"(b) In computing the five-year period prescribed in subsection (a), the Administrator of Veterans' Affairs shall disregard all periods of active duty performed by such individual before August 1, 1962, pursuant to a call or order thereto issued to him as a Reserve after July 30, 1961, or pursuant to an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 86-117."

War orphans of Spanish-American and post-Korean veterans.

73 Stat. 471.

38 USC 1712

note.

74 Stat. 1023.

38 USC 1701

note.

SEC. 3. Paragraph (26) of section 101 of title 38, United States Code, is amended (1) by striking out "Reserves" and inserting in lieu thereof "Reserve", and (2) by striking out "members" and inserting in lieu thereof "a member".

72 Stat. 1109.

SEC. 4. Section 624(b) of title 38, United States Code, is amended by striking out "temporarily".

73 Stat. 332.

SEC. 5. Section 230 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c) The Administrator is authorized to establish and maintain an office in Europe, at such location as he deems appropriate, to render technical advice and assistance in the administration of veterans' programs in that area."

VA Regional Office in Europe.  
72 Stat. 1116.

SEC. 6. (a) The text of section 235 of title 38, United States Code, is amended by inserting "or to the Veterans' Administration office established in Europe pursuant to section 230(c) of this title" immediately after "Republic of the Philippines" both places it appears.

VA employee benefits overseas.  
73 Stat. 265.

(b) The catchline of section 235 of title 38, United States Code, and item 235 of the analysis of chapter 3 of title 38, United States Code, are each amended by striking out "in the Republic of the Philippines" and inserting in lieu thereof "at overseas offices".

SEC. 7. (a) Section 1502(a) of title 38, United States Code, is amended to read as follows:

Readjustment benefits.  
72 Stat. 1171.

"(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, if such disability—

"(1) arose out of service during World War II or the Korean conflict; or

"(2) arose out of service after World War II, and before the Korean conflict, or after the Korean conflict, and is rated for compensation purposes as 30 per centum or more, or if less than

30 per centum is clearly shown to have caused a pronounced employment handicap.”

(b) The first sentence of section 1502(c) (3) of title 38, United States Code, is amended to read as follows:

72 Stat. 1171;  
74 Stat. 820.

“(3) Vocational rehabilitation may not be afforded to a veteran on account of post-World War II service after nine years following his discharge or release; except vocational rehabilitation may be afforded to any person until—

“(A) August 20, 1963, if such person was discharged or released before August 20, 1954, or

“(B) Nine years after the date of the enactment of this subparagraph if such person is eligible for vocational rehabilitation by reason of a disability arising from service before such date of enactment, but either after World War II, and before the Korean conflict, or after the Korean conflict.”

(c) Section 1502(c) (4) of title 38, United States Code, is amended (1) by striking out “Korean conflict service” and inserting in lieu thereof “post-World War II service”; and (2) by striking out “his service during the Korean conflict” and inserting in lieu thereof “such service”.

Repeal.  
72 Stat. 1171.

(d) Section 1502(d) of title 38, United States Code, is repealed.  
Approved October 15, 1962.

## Public Law 87-816

### AN ACT

October 15, 1962  
[H. R. 7699]

To validate payments of certain per diem allowances made to members and former members of the United States Coast Guard while serving in special programs overseas.

Coast Guard.  
Per diem  
allowances,  
validation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all duly authorized payments of per diem allowances made to members of the United States Coast Guard who served in the precommissioning details of the Mediterranean Ioran program of the United States Coast Guard from September 17, 1958, to April 1, 1959, are validated. Any member or former member who has made repayment to the United States of any amount authorized and so paid to him as a per diem allowance is entitled to have refunded to him the amount so repaid. No member or former member who has received per diem payments referred to in this section shall be entitled to receive quarters or subsistence allowance in addition to the validated per diem payments for the same period.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers of the United States from accountability or responsibility for any duly authorized payments described in section 1 of this Act, and shall allow credits in settlement of the accounts of those officers for duly authorized payments which are found to be free from fraud or collusion.

SEC. 3. Appropriations available to the United States Coast Guard for operating expenses are available for payments under this Act.

Approved October 15, 1962.

## Public Law 87-817

## AN ACT

To incorporate the American Symphony Orchestra League.

October 15, 1962  
[S. 3338]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following persons—*

American Sym-  
phony Orches-  
tra League, in-  
corporation.

Harold Gregory, Salt Lake City, Utah;  
Samuel R. Rosenbaum, Philadelphia, Pennsylvania;  
Mrs. Harry Fagg, Beaumont, Texas;  
Frank E. Joseph, Shaker Heights, Ohio;  
John D. Wright, Phoenix, Maryland;  
Doctor George Szell, Cleveland, Ohio;  
Henry Denecke, Cedar Rapids, Iowa;  
Harry Levenson, Worcester, Massachusetts;  
Theodore C. Russell, Jackson, Mississippi;  
Stanley Williams, Milwaukee, Wisconsin;  
Oliver M. Clegg, Magnolia, Arkansas;  
R. Philip Hanes, Junior, Winston-Salem, North Carolina;  
Mrs. Ben Hale Golden, Lookout Mountain, Tennessee;  
Miles F. Portlock, Junior, Orkney Springs, Virginia;  
Mrs. B. H. Littlefield, Bradenton, Florida;  
Cecil W. Slocum, Omaha, Nebraska;  
Max Rudolph, Cincinnati, Ohio;  
Mrs. Ward T. Langstroth, Billings, Montana;  
Elden Bayley, Springfield, Ohio;  
George Barati, Honolulu, Hawaii;  
Mrs. Albert C. Olsen, Buffalo, New York;  
John Edwards, Pittsburgh, Pennsylvania;  
Mrs. Mignon P. Ladin, New York, New York;  
Leslie C. White, Doraville, Georgia;  
Mrs. Fitzgerald Parker, Nashville, Tennessee;  
Doctor Peter Paul Fuchs, Baton Rouge, Louisiana;  
R. Wilton Billstein, Woodbury, New Jersey;  
Mrs. Elizabeth S. Greene, West Hartford, Connecticut;  
Gibson Morrissey, Roanoke, Virginia;  
Alfred C. Connable, Kalamazoo, Michigan;  
Mrs. Holmes Frederick, Greenville, South Carolina;  
William Steinberg, Pittsburgh, Pennsylvania;  
Virginia Wartman, Allentown, Pennsylvania;  
Robert L. Conn, Springfield, Illinois;  
Paul O. Grammer, Essex Fells, New Jersey;  
Henry Janiec, Spartanburg, South Carolina;  
Charles B. Stacy, Charleston, West Virginia;  
Doctor James Christian Pfohl, Charlotte, North Carolina;  
Frederick I. Moyer, Castle Rock, Colorado;  
Thomas D. Perry, Junior, Hingham, Massachusetts;  
Carlos Moseley, New York, New York;  
Mrs. G. Robert Herberger, Scottsdale, Arizona;  
James P. Robertson, Wichita, Kansas;  
Myron Levite, Brooklyn, New York;  
Mrs. Leo R. Pflaum, Wayzata, Minnesota;

and their successors, are hereby created and declared to be a body corporate by the name of American Symphony Orchestra League (hereinafter referred to as the corporation) and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

## COMPLETION OF ORGANIZATION

SEC. 2. A majority of the persons named in the first section of this Act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

## PURPOSES OF THE CORPORATION

SEC. 3. The purposes of the corporation shall be to—

- (1) serve as a coordinating, research and educational agency and clearinghouse for symphony orchestras in order to help strengthen the work in their local communities;
- (2) assist in the formation of new symphony orchestras;
- (3) through suitable means, encourage and recognize the work of America's musicians, conductors, and composers; and
- (4) aid the expansion of the musical and cultural life of the United States through suitable educational and service activities.

## CORPORATE POWERS

SEC. 4. The corporation shall have power—

- (1) to have succession by its corporate name;
- (2) to sue and be sued, complain and defend in any court of competent jurisdiction;
- (3) to adopt, use, and alter a corporate seal;
- (4) to choose such officers, managers, agents, and employees as the business of the corporation may require;
- (5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;
- (6) to contract and be contracted with;
- (7) to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm, or individual and to hold any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;
- (8) to transfer, convey, lease, sublease, encumber, and otherwise alienate real, personal, or mixed property; and
- (9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge, or otherwise, subject in every case to all applicable provisions of Federal and State laws.

## PRINCIPAL OFFICE; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in Charleston, West Virginia, or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the United States, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for



the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

#### MEMBERSHIP; VOTING RIGHTS

SEC. 6. (a) Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide.

(b) Each member of the corporation, other than honorary, sustaining or associate members, shall have the right to one vote on each matter submitted to a vote at all meetings of the members of the corporation.

#### BOARD OF DIRECTORS; COMPOSITION, RESPONSIBILITIES

SEC. 7. (a) Upon the enactment of this Act the membership of the initial board of directors of the corporation shall consist of the following persons:

R. Wilton Billstein, Woodbury, New Jersey;  
Igor Buketoff, Fort Wayne, Indiana;  
Mrs. Ronald A. Dougan, Beloit, Wisconsin;  
Mrs. J. W. Graham, Sioux City, Iowa;  
Howard Harrington, Detroit, Michigan;  
William Herring, Winston-Salem, North Carolina;  
Harold Kendrick, New Haven, Connecticut;  
Robert MacIntyre, Birmingham, Alabama;  
Thomas Perry, Junior, Boston, Massachusetts;  
Mrs. H. W. Roberts, Dallas, Texas;  
Mrs. Jouett Shouse, Washington, District of Columbia;  
Alan Watrous, Dallas, Texas;  
John S. Edwards, Pittsburgh, Pennsylvania;  
Mrs. Fred Lazarus III, Cincinnati, Ohio;  
Charles W. Bonner, Fresno, California;  
Alfred Connable, Kalamazoo, Michigan;  
Victor Feldbrill, Winnipeg, Manitoba, Canada;  
Mrs. Gerald S. Greene, West Hartford, Connecticut;  
Mrs. G. Robert Herberger, Scottsdale, Arizona;  
Thomas Iannaccone, Rochester, New York;  
Dr. Richard Lert, Hollywood, California;  
Mrs. Fitzgerald Parker, Nashville, Tennessee;  
Mrs. Leo R. Pflaum, Wayzata, Minnesota;  
Miss Helen Ryan, Orlando, Florida;  
George Szell, Cleveland, Ohio;  
Jackson Wiley, Springfield, Ohio;  
George Irwin, Quincy, Illinois;  
R. H. Wangerin, Louisville, Kentucky.

(b) Thereafter, the board of directors of the corporation shall consist of such number, shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation and, during the intervals between the meetings of members, shall be responsible for the general policies and program of the corporation and for the control of all contributed funds as may be raised by the corporation.

## OFFICERS; ELECTION AND DUTIES OF OFFICERS

SEC. 8. (a) The officers of the corporation shall be a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and one or more assistant secretaries and assistant treasurers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

## USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

## NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

## LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

## PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

## BOOKS AND RECORDS; INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

## AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) The accounts of the American Symphony Orchestra League shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

## USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 15. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

## EXCLUSIVE RIGHT TO NAME, EMBLEM, SEALS, AND BADGES

SEC. 16. The corporation shall have the sole and exclusive right to the name "American Symphony Orchestra League" and to have and to use in carrying out its purposes distinctive insignia, emblems and badges, descriptive or designating marks, and words or phrases as may be required in the furtherance of its functions. No powers or privileges hereby granted shall, however, interfere or conflict with established or vested rights.

## TRANSFER OF ASSETS

SEC. 17. The corporation may acquire the assets of the American Symphony Orchestra League, Incorporated, a corporation organized under the laws of the States of Virginia and Michigan, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the States of Virginia and Michigan applicable thereto.

## RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 18. The right to alter, amend, or repeal this Act is expressly reserved.

Approved October 15, 1962.

## Public Law 87-818

October 15, 1962  
[H. R. 4094]

## AN ACT

To amend the Act of July 15, 1955, relating to the conservation of anthracite coal resources.

Anthracite coal  
resources.  
Conservation.

69 Stat. 352.

Abandoned coal  
mines, congress-  
sional policy.  
30 USC 571.

Financial con-  
tributions.  
30 USC 572.

Amount.

Limitation on  
use.

Project loca-  
tions.

Projects econom-  
ically justified.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to provide for the conservation of anthracite coal resources through measures of flood control and anthracite mine drainage, and for other purposes", approved July 15, 1955 (30 U.S.C. 572), is amended in the following respects:

(1) The second sentence of section 1 is amended to read as follows: "It is therefore declared to be the policy of the Congress to provide for the control and drainage of water in the anthracite coal formations and thereby conserve natural resources, promote national security, prevent injuries and loss of life, and preserve public and private property, and to seal abandoned coal mines and to fill voids in abandoned coal mines, in those instances where such work is in the interest of the public health or safety.";

(2) The preamble clause of section 2 is amended to read as follows: "The Secretary of the Interior is authorized, in order to carry out the above-mentioned purposes, to make financial contributions on the basis of programs or projects approved by the Secretary to the Commonwealth of Pennsylvania (hereinafter designated as the 'Commonwealth') to seal abandoned coal mines and to fill voids in abandoned coal mines, in those instances where such work is in the interest of the public health or safety, and for control and drainage of water which, if not so controlled or drained, will cause the flooding of anthracite coal formations, said contributions to be applied to the cost of drainage works, pumping plants, and related facilities but subject, however, to the following conditions and limitations:";

(3) Section 2(b) is amended to read as follows: "The total amount of contributions by the Secretary of the Interior under the authority of this Act shall not exceed \$8,500,000, of which \$1,500,000 of the unexpended balance remaining as of July 31, 1962, shall be reserved for the control and drainage of water;";

(4) Section 2(c) is amended to read as follows: "The amounts contributed by the Secretary of the Interior under the authority of this Act and the equally matched amounts contributed by the Commonwealth shall not be used for operating and maintaining projects constructed pursuant to this Act or for the purchase of culm, rock, or spoil banks;";

(5) Section 2(d) is amended by striking out the word "and" after the semicolon;

(6) Section 2(e) is amended to read as follows: "Projects constructed pursuant to this Act shall be so located, operated, and maintained as to provide the maximum conservation of anthracite coal resources or, in those instances where such work would be in the interest of the public health or safety, to seal abandoned coal mines and to fill voids in abandoned coal mines, and, where possible, to avoid creating inequities among those mines which may be affected by the waters to be controlled thereby; and";

(7) Section 2 is further amended by adding a new subsection to read as follows:

"(f) Projects for the sealing of abandoned coal mines or the filling of voids in abandoned coal mines shall be determined by the Secretary of the Interior to be economically justified. The Secretary shall

not find any project to be economically justified unless the potential benefits are estimated by him to exceed the estimated cost of the project."

(8) Section 5 is amended by adding a sentence to read as follows: "The Secretary of the Interior shall, on or before the first day of February of each year after the institution of the program for the sealing of abandoned coal mines or the filling of voids in abandoned coal mines, submit a report to Congress of the actions taken under this Act."

Report to Congress.  
30 USC 575.

Approved October 15, 1962.

## Public Law 87-819

### AN ACT

October 15, 1962  
[H. R. 9737]

To amend section 641 of title 38, United States Code, to provide that deductions shall not be made from Federal payments to a State home because of amounts collected from the estates of deceased veterans and used for recreational or other purposes not required by State laws, and to amend chapter 35 of such title in order to afford educational assistance in certain cases beyond the age limitations prescribed in such chapter.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 641 (b) of title 38, United States Code, is amended by adding immediately below paragraph (2) thereof the following: "No reduction shall be made under this subsection by reason of the retention or collection by a State home of any amounts from the estate of a deceased veteran if such amounts are placed in a post fund or other special fund and used for the benefit of the State home or its inhabitants in providing—

Veterans.  
Federal pay-  
ments to State  
homes.  
72 Stat. 1146.

"(A) educational, recreational, or entertainment facilities or activities;

"(B) operation of post exchanges; or

"(C) other activities or facilities for the benefit of the home or its inhabitants which are not specifically required by State law (including the cost of any necessary insurance to protect the property of such fund or any of its facilities)."

SEC. 2. Section 1712 of title 38, United States Code, is amended by adding at the end thereof a new subsection as follows:

Educational as-  
sistance beyond  
age limitation.  
72 Stat. 1194.

"(c) Notwithstanding the provisions of subsection (a) of this section, an eligible person may be afforded educational assistance beyond the age limitation applicable to him under such subsection if (1) he suspends pursuit of his program of education after having enrolled in such program within the time period applicable to him under such subsection, (2) he is unable to complete such program after the period of suspension and before attaining the age limitation applicable to him under such subsection, and (3) the Administrator finds that the suspension was due to conditions beyond the control of such person; but in no event shall educational assistance be afforded such person by reason of this subsection beyond the age limitation applicable to him under subsection (a) of this section plus a period of time equal to the period he was required to suspend the pursuit of his program, or beyond his thirty-first birthday, whichever is earlier."

Approved October 15, 1962.

## Public Law 87-820

## AN ACT

To amend the Act of September 7, 1957, relating to aircraft loan guarantees.

October 15, 1962  
[H. R. 10129]

Aircraft loan  
guarantees.

49 USC 1324  
note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 2 of the Act of September 7, 1957 (Public Law 85-307; 71 Stat. 629), is amended to read as follows:

"(a) 'Secretary' means the Secretary of Commerce."

SEC. 2. Section 3 of such Act of September 7, 1957, is amended—

(1) by striking out "Board" the first place it appears in the first sentence of such section 3 and inserting in lieu thereof "Secretary";

(2) by inserting "Civil Aeronautics" immediately preceding "Board" the second place it appears in such first sentence;

(3) by striking out the term "United States" each place it appears in clause (c) of such first sentence and inserting in lieu thereof in each such place "forty-eight contiguous States"; and

(4) by striking out "Board" where it appears in the second sentence of such section 3 and inserting in lieu thereof "Secretary".

SEC. 3. Section 4 of such Act of September 7, 1957, is amended—

(1) by striking out "\$5,000,000" in subsection (d) and inserting in lieu thereof "\$10,000,000"; and

(2) by striking out "Board" in subsections (e) and (f) and inserting in lieu thereof in each of such subsections "Secretary".

SEC. 4. Section 5 of such Act of September 7, 1957, is amended by striking out "Board" and inserting in lieu thereof "Secretary".

SEC. 5. (a) Subsection (a) of section 6 of such Act of September 7, 1957, is amended—

(1) by striking out "it" the first place it appears therein and inserting in lieu thereof "him";

(2) by striking out "it" the second place it appears therein and inserting in lieu thereof "he"; and

(3) by striking out "Board" and inserting in lieu thereof "Secretary".

(b) Section 6 of such Act of September 7, 1957, is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall make available to the Comptroller General of the United States such information with respect to the loan guaranty program under this Act as the Comptroller General may require to carry out his duties under the Budget and Accounting Act, 1921."

SEC. 6. Section 7 of such Act of September 7, 1957, is amended by striking out "Board" in subsections (b) and (c) and inserting in lieu thereof in each of such subsections "Department of Commerce".

SEC. 7. Section 8 of such Act of September 7, 1957, is amended by striking out "five" and inserting in lieu thereof "ten".

SEC. 8. Section 410 of the Federal Aviation Act of 1958 (49 U.S.C. 1380), is amended by adding at the end thereof the following new sentence: "The provisions of this section shall not be applicable to the guaranty of loans by the Secretary of Commerce under the provisions of such Act of September 7, 1957, as amended, but the Secretary of Commerce shall consult with and consider the views and recommendations of the Board in making such guaranties."

SEC. 9. (a) All orders, determinations, rules, regulations, permissions, approvals, agreements, rulings, directives, and privileges which have been issued, made, or granted, or allowed to become effective, by

42 Stat. 20.  
31 USC 1.

72 Stat. 769.

71 Stat. 629.  
49 USC 1324  
note.

Orders, etc.,  
effective until  
terminated.

the Civil Aeronautics Board, or any court of competent jurisdiction, under any provision of law amended by this Act, or in the exercise of duties, powers, or functions which, under this Act, are vested in the Secretary of Commerce, and which are in effect on the date of enactment of this Act shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary of Commerce or by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending before the Civil Aeronautics Board on the date of enactment of this Act; but any such proceedings shall be continued before the Secretary of Commerce, orders issued therein, and payments made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary of Commerce, or by operation of law.

(c) The provisions of this Act shall not affect suits commenced prior to the date of its enactment; and all such suits shall be continued by the Secretary of Commerce, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this Act had not been enacted. No suit, action, or other proceeding lawfully commenced by or against the Civil Aeronautics Board or officer of the United States, in relation to the discharge of official duties, shall abate by reason of any transfer of authority, power, or duties from the Board or officer to the Secretary of Commerce under the provisions of this Act, but the court upon a motion or a supplemental petition filed at any time within twelve months after such transfer, showing the necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the Secretary of Commerce.

Prior suits  
not affected.

SEC. 10. (a) The officers, employees, and property (including office equipment and official records) of the Civil Aeronautics Board which the Bureau of the Budget, after consultation with the Board, shall determine to have been employed by the Board in the exercise and performance of those powers and duties vested in and imposed upon it by the Act of September 7, 1957 (71 Stat. 629), as in effect on the day before the date of enactment of this Act, and which are vested by this Act in the Secretary of Commerce, shall be transferred to the Department of Commerce upon such date or dates as the Bureau of the Budget shall specify. The transfer of personnel under this section shall be without reduction in classification or compensation, except that this requirement shall not operate after the end of the fiscal year during which such transfer is made to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned.

Transfer of  
personnel and  
equipment.

49 USC 1324  
note.

(b) All records transferred to the Secretary of Commerce under this Act shall be available for use by him to the same extent as if such records were originally records of the Secretary.

Records, avail-  
ability to Secre-  
tary of Commerce.

Approved October 15, 1962.

## Public Law 87-821

October 15, 1962  
[H. R. 11018]

## AN ACT

To amend the Act concerning gifts to minors in the District of Columbia.

District of  
Columbia Uniform  
Gifts to Minors  
Act.

## Definitions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act concerning gifts of securities to minors in the District of Columbia", approved August 3, 1956 (70 Stat. 1028; D.C. Code, sec. 21-214), is amended to read as follows:

"SECTION 1. As used in this Act, the following terms shall have the meaning ascribed to each:

"(1) 'Adult': one who has attained the age of twenty-one years.

"(2) 'Bank': any person or association of persons carrying on the business of banking, whether incorporated or not, in the District of Columbia.

"(3) 'Broker': one who is lawfully engaged in the business of effecting transactions in securities for the account of others; a bank which effects such transactions; and one who is lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business.

"(4) 'Court': The United States District Court for the District of Columbia.

"(5) 'Custodial property':

"(A) All securities, money, life insurance and annuity contracts under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in the manner prescribed in this Act;

"(B) The income from the custodial property; and

"(C) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment, or other disposition of such securities, money, life insurance and annuity contracts, and income.

"(6) 'Custodian': one so designated in the manner prescribed in this Act.

"(7) 'Guardian of a minor': the general guardian, guardian, tutor, or curator of the minor's property, estate or person.

"(8) 'Issuer': one who places or authorizes the placing of his name on a security (other than as a transfer agent) to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person.

"(9) 'Legal representative': the executor or the administrator, general guardian, committee, conservator, tutor, or curator of a person's property or estate.

"(10) 'Life insurance and annuity contracts': shall include only insurance and annuity contracts on the life of a minor or a member of the minor's family as herein defined.

"(11) 'Member of a minor's family': any of the minor's parents, grandparents, brothers, sisters, uncles, and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

"(12) 'Minor': one who has not attained the age of twenty-one years.

"(13) 'Security': any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate, or, in general, any in-



terest or instrument commonly known as a security, or any certificate of interest of participation in, any temporary or interim certificate, receipt, or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. 'Security' does not include a security of which the donor is the issuer. A 'security' is in 'registered form' when it specifies a person entitled to it or to the right it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer.

"(14) 'Transfer agent': one who acts as authenticating trustee, transfer agent, registrar, or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities.

"(15) 'Trust company': a bank authorized to exercise trust powers.

"Sec. 2. (a) An adult may, during his lifetime, make a gift of a security, money, life insurance or annuity contract to one who is a minor on the date of the gift, if the subject of the gift is a security—

Registration  
or delivery.

"(1) in registered form, by registering it in the name of the donor, another adult, or a trust company, followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act';

"(2) not in registered form, by delivering it to an adult other than the donor or a trust company, accompanied by a statement of gift in the following form, in substance, signed by the donor and the designated custodian:

**"GIFT UNDER THE DISTRICT OF COLUMBIA UNIFORM GIFTS  
TO MINORS ACT"**

"I, (name of donor), hereby deliver to (name of custodian) as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act, the following security(ies); (insert an appropriate description of the security or securities delivered sufficient to identify it or them).

-----  
(signature of donor)

Dated :-----

(Name of custodian) hereby acknowledges receipt of the above described security(ies) as custodian for the above minor under the above Act.

-----  
(signature of custodian)

Dated :-----

"(3) If the subject of the gift is a life insurance or annuity contract, the ownership of the contract shall be registered by the donor of such contract in his own name or in the name of an adult member of the minor's family or in the name of any guardian of the minor, followed by the words 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act', and such contract shall be delivered to the person in whose name it is thus registered as custodian. If the contract is registered in the name of the donor, as custodian, such registration shall of itself constitute the delivery required by this section.

"(4) If the subject of the gift is money, by paying or delivering it to a broker or a bank for credit to an account in the name of the donor, another adult, or a bank with trust powers, followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act'.

"(b) Any gift made in the manner prescribed in subsection (a) may be made to only one minor.

"(c) A donor who makes a gift to a minor as prescribed in subsection (a) shall promptly do all things within his power to put the subject of the gift in the possession and control of the custodian, but neither the donor's failure to comply with this subsection, nor his designation of an ineligible person as custodian, nor renunciation by the person designated as custodian shall affect the consummation of the gift.

Irrevocability.

"SEC. 3. (a) A gift made as prescribed in this Act shall be irrevocable and convey to the minor indefeasibly vested legal title to the security, money, life insurance or annuity contract given, but no guardian of the minor shall have any right, power, duty, or authority with respect to the custodial property except as provided in this Act.

"(b) By making a gift in the manner prescribed in this Act, the donor incorporates in his gift all the provisions thereof and grants to the custodian, and to any issuer, transfer agent, bank, broker, insurance company, or third person dealing with a custodian, the respective powers, rights, and immunities provided in this Act.

Custodian,  
duties.

"SEC. 4. (a) Only one person may be the custodian. He shall collect, hold, manage, invest, and reinvest the custodial property.

"(b) The custodian shall pay over to the minor for expenditure by him, or expend for the minor's benefit, so much of or all the custodial property as the custodian deems advisable for the support, maintenance, education, and benefit of the minor in the manner, at the time or times, and to the extent that the custodian in his discretion deems suitable and proper, with or without court order, with or without regard to the duty of himself or of any other person to support the minor or his ability to do so, and with or without regard to any other income or property of the minor which may be applicable or available for any such purpose.

"(c) The court, on the petition of a parent or guardian of the minor or of the minor, if he has attained the age of fourteen years, may order the custodian to pay over to the minor for expenditure by him or to expend so much of or all the custodial property as is necessary for the minor's support, maintenance, or education.

"(d) To the extent that the custodial property is not so expended, the custodian shall deliver or pay it over to the minor on his attaining the age of twenty-one years or, if the minor dies before attaining that age, he shall thereupon deliver or pay it over to the estate of the minor.

"(e) The custodian, notwithstanding statutes restricting investments by fiduciaries, shall invest and reinvest the custodial property as would a prudent person of discretion and intelligence who is seeking a reasonable income and the preservation of capital, except that he may, in his discretion and without liability to the minor or his estate, retain a security given to the minor in the manner prescribed in this Act.

"(f) The custodian may sell, exchange, convert, or otherwise dispose of custodial property in the manner, at the time or times, for the price or prices, and upon the terms he deems advisable. He may vote in person or by general or limited proxy a security which is custodial property. He may consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution, or liquidation of an issuer, a security which is custodial property, and to the sale, lease, pledge, or mortgage of any property by or to such an issuer, and to any other action by such an issuer. He may execute and deliver any and all instruments in writing which he deems advisable to carry out any of his powers as custodian.

"(g) The custodian shall register each security which is custodial property and in registered form in the name of the custodian, followed, in substance, by the words: 'as custodian for (name of minor) under

the District of Columbia Uniform Gifts to Minors Act'. He shall hold all money which is custodial property in an account with a broker or in a bank in the name of the custodian, followed, in substance, by the same words. He shall keep all other custodial property separate and distinct from his own property in a manner to identify it clearly as custodial property.

"(h) The custodian shall keep records of all transactions with respect to the custodial property, and make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor, if he has attained the age of fourteen years.

"(i) A custodian shall have and hold as powers in trust, with respect to the custodial property, in addition to the rights and powers provided in this Act, all the rights and powers which a guardian has with respect to property not held as custodial property.

"(j) If the subject of the gift is a life insurance or annuity contract, the custodian shall have all of the incidents of ownership in the contract which he may hold as custodian to the same extent as if he were the owner thereof personally. The designated beneficiary of any such contract held by a custodian shall be the minor or, in the event of his death, the minor's estate.

"SEC. 5. (a) A custodian shall be entitled to reasonable compensation for his services and to reimbursement from the custodial property for his reasonable expenses incurred in the performance of his duties: *Provided*, That a custodian may act without compensation for his services.

Compensation.

"(b) Compensation for the guardian or custodian shall be according to:

"(1) Any direction of the donor when the gift is made, provided that it is not in excess of any statutory limitation of the District of Columbia for guardians or custodians;

"(2) Any statute of the District of Columbia applicable to custodians or guardians;

"(3) Any order of the court.

"(c) Except as otherwise provided in this Act, a custodian shall not be required to give a bond for the performance of his duties.

"(d) A custodian not compensated for his services shall not be liable for losses to the custodial property unless they result from his bad faith, intentional wrongdoing, or gross negligence or from his failure to maintain the standard of prudence in investing the custodial property provided in this Act.

"SEC. 6. (a) Only an adult, a guardian of the minor, or a trust company shall be eligible to become successor custodian. A successor custodian shall have all the rights, powers, duties, and immunities of a custodian designated in the manner prescribed by this Act.

Successor  
custodian.

"(b) A custodian, other than the donor, may resign and designate his successor by—

"(1) executing an instrument of resignation designating the successor custodian; and

"(2) causing each security which is custodial property and in registered form and each life insurance or annuity contract to be registered in the name of the successor custodian followed, in substance, by the words: 'as custodian for (name of minor) under the District of Columbia Uniform Gifts to Minors Act'; and

"(3) delivering to the successor custodian the instrument of resignation, each security registered in the name of the successor custodian, each life insurance or annuity contract registered in the name of the successor custodian, and all other custodial property, together with any additional instruments required for the transfer thereof.

"(c) A custodian, whether or not a donor, may petition the court for permission to resign and for the designation of a successor custodian.

"(d) If the person designated as custodian is not eligible, renounces or dies before the minor attains the age of twenty-one years, the guardian of the minor shall be successor custodian. If the minor has no guardian, a donor, his legal representative, the legal representative of the custodian, an adult member of the minor's family, or the minor, if he has attained the age of fourteen years, may petition the court for the designation of a successor custodian.

"(e) A donor, the legal representative of a donor, an adult member of the minor's family, a guardian of the minor or the minor, if he has attained the age of fourteen years, may petition the court that, for cause shown in the petition, the custodian be removed and a successor custodian be designated or, in the alternative, that the custodian be required to give bond for the performance of his duties.

"(f) Upon the filing of a petition as provided in this section, the court shall grant an order, directed to the persons and returnable on such notice as the court may require, to show cause why the relief prayed for in the petition should not be granted and, in due course, grant such relief as the court finds to be in the best interests of the minor.

Accounting.

"SEC. 7. (a) The minor, if he has attained the age of fourteen years, or the legal representative of the minor, an adult member of the minor's family, or a donor or his legal representative may petition the court for an accounting by the custodian or his legal representative.

"(b) The court, in a proceeding under this Act or otherwise, may require or permit the custodian or his legal representative to account and, if the custodian is removed, shall so require and order delivery of all custodial property to the successor custodian and the execution of all instruments required for the transfer thereof.

Validity of instruments or instructions.

"SEC. 8. No issuer, transfer agent, bank, broker, insurance company, or other person acting on the instructions of or otherwise dealing with any person purporting to act as a donor or in the capacity of a custodian shall be responsible for determining whether the person designated by the purported donor or purporting to act as a custodian has been duly designated or whether any purchase, sale, or transfer to or by or any other act of any person purporting to act in the capacity of custodian is in accordance with or authorized by this Act, and shall not be obliged to inquire into the validity or propriety under the provisions of this Act of any instrument or instructions executed or given by a person purporting to act as a donor or in the capacity of a custodian, and shall not be bound to see to the application by any person purporting to act in the capacity of a custodian of any money or other property paid or delivered to him.

"SEC. 9. (a) The provisions of this Act shall be construed to effectuate the general purpose thereof to make uniform the law of those States which enact such provisions.

"(b) This Act shall not be construed as providing an exclusive method for making gifts to minors.

"SEC. 10. If any provision of this Act or the application thereof is held invalid, the other provisions or applications of such provisions shall not be affected thereby.

Short title.

"SEC. 11. This Act may be cited as the 'District of Columbia Uniform Gifts to Minors Act'."

SEC. 2. (a) All laws or parts of laws in conflict with any provision of this Act are hereby repealed.

Repeal.

(b) The amendments made to the Act of August 3, 1956 (70 Stat. 1028; D.C. Code, secs. 21-214 et seq.), by the first section of this Act shall not affect any right or liability under such Act of August 3, 1956, existing on December 31, 1962.

(c) Nothing herein shall be deemed to repeal or modify the Internal Revenue Code of 1954, as amended, and the District of Columbia Income and Franchise Tax Act of 1947, as amended.

26 USC 1 et  
seq.  
61 Stat. 328.  
D. C. Code 1-1  
to 1-4.

SEC. 3. This Act shall take effect January 1, 1963.

Approved October 15, 1962.

## Public Law 87-822

### AN ACT

To amend the Mineral Leasing Act of February 25, 1920.

October 15, 1962  
[H. R. 11049]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 31 of the Mineral Leasing Act of February 25, 1920 (41 Stat. 450), as amended (30 U.S.C. 188), is further amended by designating the first paragraph thereof as subsection "(a)", the second paragraph as subsection "(b)", and adding two new subsections to read as follows:

Mineral Leasing  
Act, amendment.

60 Stat. 956.

"(c) Where any lease has been terminated automatically by operation of law under this section for failure to pay rental timely and it is shown to the satisfaction of the Secretary of the Interior that the failure to pay timely the lease rental was justifiable or not due to a lack of reasonable diligence, he in his judgment may reinstate the lease subject to the following conditions:

Oil and gas  
leases, rein-  
statement.

"(1) A petition for reinstatement, together with the required rental, for any lease (a) terminated prior to the effective date of this Act must be filed with the Secretary of the Interior within one hundred and eighty days after the effective date of this Act;

"(2) No valid lease has been issued affecting any of the lands in the terminated lease prior to the filing of the petition for reinstatement.

"(d) Where, in the judgment of the Secretary of the Interior, drilling operations were being diligently conducted on the last day of the primary term of the lease, and, except for nonpayment of rental, the lessee would have been entitled to extension of his lease, pursuant to section 4(d) of the Act of September 2, 1960 (74 Stat. 790), the Secretary of the Interior may reinstate such lease notwithstanding the failure of the lessee to have made payment of the next year's rental, provided the conditions of subparagraphs (1) and (2) of section (c) are satisfied."

30 USC 226-1.

SEC. 2. Nothing in this Act shall be construed as limiting the authority of the Secretary of the Interior to issue, during the periods in which petitions for reinstatement may be filed, oil and gas leases for any of the lands affected.

Approved October 15, 1962.

## Public Law 87-823

## AN ACT

October 15, 1962  
[H. R. 11665]

To revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

National School  
Lunch Act, amend-  
ment.

60 Stat. 230.  
42 USC 1752.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3 of the National School Lunch Act is amended to read as follows:

“APPROPRIATIONS AUTHORIZED

“SEC. 3. For each fiscal year there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as the ‘Secretary’) to carry out the provisions of this Act, other than section 11.”

42 USC 1760.

42 USC 1753.

SEC. 2. Section 4 of the National School Lunch Act is amended to read as follows:

“APPORTIONMENTS TO STATES

“SEC. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other foods for the program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the funds made available for such year for supplying agricultural commodities and other foods under the provisions of section 3 of this Act. Apportionment among the States shall be made on the basis of two factors: (1) the participation rate for the State, and (2) the assistance need rate for the State. The amount of apportionment to any State shall be determined by the following method: First, determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States (exclusive of American Samoa for periods ending before July 1, 1967); and third, apply the figure thus obtained to the total funds to be apportioned. If any State cannot utilize all funds so apportioned to it, or if additional funds are made available under section 3 for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner. Notwithstanding the foregoing provisions of this section, (1) for the fiscal year beginning July 1, 1962, three-quarters of any funds available for apportionment among the States shall be apportioned in the manner used prior to such fiscal year, and one-quarter of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (2) for the fiscal year beginning July 1, 1963, one-half of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and one-half of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (3) for the fiscal year beginning July 1, 1964, one-quarter of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and three-quarters of any such funds shall be apportioned in accordance with the foregoing sentences of this section, and (4) for the five fiscal years in the period beginning July 1, 1962, and ending June 30, 1967, the amount apportioned to American Samoa shall be \$25,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States.”

42 USC 1754.

SEC. 3. (a) Section 5 of the National School Lunch Act is amended by striking out the last sentence thereof.

42 USC 1754.

(b) Section 6 of the National School Lunch Act is amended by striking out "and less the amount apportioned to him pursuant to sections 4, 5, and 10" and inserting in lieu thereof the following: ", less the amount apportioned by him pursuant to sections 4, 5, and 10, and less the amount appropriated pursuant to section 11".

SEC. 4. Section 10 of the National School Lunch Act is amended by striking out "the same proportion of the funds as the number of children between the ages of 5 and 17, inclusive, attending nonprofit private schools within the State, is of the total number of persons of those ages within the State attending school" and inserting in lieu thereof the following: "an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State".

Nonprofit private schools.  
42 USC 1759.

42 USC 1758.

SEC. 5. Section 11 of the National School Lunch Act is redesignated as section 12 and subsections (c) and (d) thereof are amended to read as follows:

42 USC 1760.

"(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

"(d) For the purposes of this Act—

Definitions.

"(1) 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

"(2) 'State educational agency' means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

"(3) 'Nonprofit private school' means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

68A Stat. 163.  
26 USC 501.

"(4) 'Nonfood assistance' means equipment used by schools in storing, preparing, or serving food for schoolchildren.

"(5) 'Participation rate' for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by schools participating in the program under this Act in the State, as determined by the Secretary.

42 USC 1758.

"(6) 'Assistance need rate' (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average annual per capita income less than the average annual per capita income for all the States, shall be the product of 5 and the quotient obtained by dividing the average annual per capita income for all the States by the average annual per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (i) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified

to the Secretary by the Department of Commerce; and (ii) the average annual per capita income for American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1967.

“(7) ‘School’ means any public or nonprofit private school of high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.”

42 USC 1759.

SEC. 6. The National School Lunch Act is further amended by inserting immediately after section 10 thereof the following new section:

“SPECIAL ASSISTANCE

*Ante*, p. 945.

“SEC. 11. (a) There is hereby authorized to be appropriated \$10,000,000 for the fiscal year ending June 30, 1963, and such sums as may be necessary for each succeeding fiscal year to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist, for the purpose of helping such schools to meet the requirement of section 9 of this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

“(b) Of the sums appropriated pursuant to this section for any fiscal year, 3 per centum shall be available for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. From the funds so available the Secretary shall apportion to each such State an amount which bears the same ratio to the total of such funds as the number of free or reduced-price lunches served in accordance with section 9 of this Act in such State in the preceding fiscal year bears to the total number of such free or reduced-price lunches served in all such States in the preceding fiscal year: *Provided*, That for the fiscal year ending June 30, 1963, \$5,000 shall be apportioned to American Samoa, which amount shall be first deducted from the total amount available for apportionment under this subsection. If any such State cannot utilize for the purposes of this section all of the funds apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such States which justify the need for additional funds for such purposes.

“(c) Of the remaining sums appropriated pursuant to this section for any fiscal year, not less than 50 per centum shall be apportioned among States, other than Puerto Rico, the Virgin Islands, Guam, and American Samoa, on the basis of the following factors for each State: (1) the number of free or reduced-price lunches served in accordance with section 9 of this Act in the preceding fiscal year, and (2) the assistance need rate. These factors shall be applied in the following manner: First, determine an index for each State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all such States; and, third, apply the figure thus obtained to the total funds to be apportioned. Any funds so initially apportioned which cannot be used for the purpose of this section by the State to which apportioned, together with the remainder of the funds available under this subsection, shall be further apportioned by the Secretary on the same basis as the initial apportionment to such States which justify on the basis of operating experience the need for additional funds to meet the need of students in such States for free or reduced-price lunches in schools deemed eligible by their State educational agencies for special assistance in accordance with the factors set forth in subsection (c) of this section.

42 USC 1756.

“(d) Payment of the funds apportioned to any State under this section shall be made as provided in the last sentence of section 7 of the Act.



“(e) Funds paid to any State during any fiscal year pursuant to this section shall be disbursed to selected schools in such State to assist such schools in the purchase of agricultural commodities and other foods. The selection of schools and the amounts of funds that each shall from time to time receive (within a maximum per lunch amount established by the Secretary for all the States) shall be determined by the State educational agency on the basis of the following factors: (1) The economic condition of the area from which such schools draw attendance; (2) the needs of pupils in such schools for free or reduced-price lunches; (3) the percentages of free and reduced-price lunches being served in such schools to their pupils; (4) the prevailing price of lunches in such schools as compared with the average prevailing price of lunches served in the State under this Act; and (5) the need of such schools for additional assistance as reflected by the financial position of the school lunch programs in such schools.

“(f) If in any State the State educational agency is not permitted by law to disburse funds paid to it under this Act to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsections (b) or (c) of this section an amount which bears the same ratio to such funds as the number of free and reduced-price lunches served in accordance with section 9 of this Act in the preceding fiscal year by all nonprofit private schools participating in the program under this Act in such State bears to the number of such free and reduced-price lunches served during such year by all schools participating in the program under this Act in such State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are applicable to a State educational agency disbursing funds under this section.

42 USC 1758.

“(g) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to sections 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section.”

42 USC 1753, 1754, 1756.

Approved October 15, 1962.

## Public Law 87-824

### AN ACT

To amend the Agricultural Adjustment Act of 1938 relating to the lease and transfer of tobacco acreage allotments.

October 15, 1962  
[H. R. 12855]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Agricultural Adjustment Act of 1938, as amended, is further amended (1) by changing the language enclosed in parentheses in the first sentence of section 316(a) to read “(other than a Burley tobacco acreage allotment, and for the 1963 crop year, other than a cigar-filler and cigar-binder (types 42, 43, 44, 53, 54, and 55) tobacco acreage allotment)”; and (2) by striking the period and inserting at the end of the second sentence of subsection 316(b) the following: “: *Provided*, That no such lease shall be renewed for 1963 for cigar-filler and cigar-binder (types 42, 43, 44, 53, 54, and 55) tobacco.”

Tobacco.  
Acreage allotment.

75 Stat. 469.  
7 USC 1314b.

Approved October 15, 1962.

## Public Law 87-825

## AN ACT

October 15, 1962  
[H. R. 7600]

To amend title 38, United States Code, to revise the effective date provisions relating to awards, and for other purposes.

Veterans.  
Awards, effective dates,  
72 Stat. 1226.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3010 of title 38, United States Code, is amended to read as follows:

**“§ 3010. Effective dates of awards**

“(a) Unless specifically provided otherwise in this chapter, the effective date of an award based on an original claim, a claim reopened after final adjudication, or a claim for increase, of compensation, dependency and indemnity compensation, or pension, shall be fixed in accordance with the facts found, but shall not be earlier than the date of receipt of application therefor.

“(b) The effective date of an award of disability compensation to a veteran shall be the day following the date of his discharge or release if application therefor is received within one year from such date of discharge or release.

72 Stat. 1124;  
Post, p. 950.

“(c) The effective date of an award of disability compensation by reason of section 351 of this title shall be the date such injury or aggravation was suffered if an application therefor is received within one year from such date.

“(d) The effective date of an award of death compensation, dependency and indemnity compensation, or death pension, where application is received within one year from the date of death, shall be the first day of the month in which the death occurred.

“(e) The effective date of an award of dependency and indemnity compensation to a child shall be the first day of the month in which the child's entitlement arose if application therefor is received within one year from such date.

“(f) An award of additional compensation on account of dependents based on the establishment of a disability rating in the percentage evaluation specified by law for the purpose shall be payable from the effective date of such rating; but only if proof of dependents is received within one year from the date of notification of such rating action.

72 Stat. 1225.

“(g) Subject to the provisions of section 3001 of this title, where compensation, dependency and indemnity compensation, or pension is awarded or increased pursuant to any Act or administrative issue, the effective date of such award or increase shall be fixed in accordance with the facts found but shall not be earlier than the effective date of the Act or administrative issue. In no event shall such award or increase be retroactive for more than one year from the date of application therefor or the date of administrative determination of entitlement, whichever is earlier.

“(h) Where an award of pension has been deferred or pension has been awarded at a rate based on anticipated income for a year and the claimant later establishes that income for that year was at a rate warranting entitlement or increased entitlement, the effective date of such entitlement or increase shall be fixed in accordance with the facts found if satisfactory evidence is received before the expiration of the next calendar year.

“(i) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence resulting from the correction of the military records of the proper service department under section 1552 of title 10, or the change, correction, or modification of a discharge or dismissal under section 1553 of title 10, or from other corrective action by competent authority, the effective date of commencement of the benefits so awarded shall be the date on which an

70A Stat. 116.  
Ante, p. 509.

application was filed for correction of the military record or for the change, modification, or correction of a discharge or dismissal, as the case may be, or the date such disallowed claim was filed, whichever date is the later, but in no event shall such award of benefits be retroactive for more than one year from the date of reopening of such disallowed claim. This subsection shall not apply to any application or claim for Government life insurance benefits.

“(j) Where a report or a finding of death of any person in the active military, naval, or air service has been made by the Secretary concerned, the effective date of an award of death compensation, dependency and indemnity compensation, or death pension, as applicable, shall be the first day of the month fixed by the Secretary as the month of death in such report or finding, if application therefor is received within one year from the date such report or finding has been made; however, such benefits shall not be payable to any person for any period for which such person has received, or was entitled to receive, an allowance, allotment, or service pay of the deceased.

“(k) The effective date of the award of benefits to a widow or of an award or increase of benefits based on recognition of a child, upon annulment of a marriage shall be the date the judicial decree of annulment becomes final if a claim therefor is filed within one year from the date the judicial decree of annulment becomes final; in all other cases the effective date shall be the date the claim is filed.”

SEC. 2. Section 3012 of title 38, United States Code, is amended by striking out subsection (b), and by amending subsection (c) to read as follows:

Compensation,  
reduction or dis-  
continuance.  
72 Stat. 1227.

“(b) The effective date of a reduction or discontinuance of compensation, dependency and indemnity compensation, or pension—

“(1) by reason of marriage or remarriage, or death of a payee shall be the last day of the month before such marriage, remarriage, or death occurs;

“(2) by reason of marriage, divorce, or death of a dependent of a payee shall be the last day of the month in which such marriage, divorce, or death occurs;

“(3) by reason of receipt of active service pay or retirement pay shall be the day before the date such pay began;

“(4) by reason of change in income or corpus of estate shall be the last day of the month in which the change occurred;

“(5) by reason of a change in disability or employability of a veteran in receipt of pension shall be the last day of the month in which discontinuance of the award is approved;

“(6) by reason of change in law or administrative issue, change in interpretation of a law or administrative issue, or, for compensation purposes, a change in service-connected or employability status or change in physical condition shall be the last day of the month following sixty days from the date of notice to the payee (at his last address of record) of the reduction or discontinuance;

“(7) by reason of the discontinuance of school attendance of a payee or a dependent of a payee shall be the last day of the month in which such discontinuance occurred;

“(8) by reason of termination of a temporary increase in compensation for hospitalization or treatment shall be the last day of the month in which the hospital discharge or termination of treatment occurred, whichever is earlier;

“(9) by reason of an erroneous award based on an act of commission or omission by the beneficiary, or with his knowledge, shall be the effective date of the award; and

“(10) by reason of an erroneous award based solely on administrative error or error in judgment shall be the date of last payment.”

Civil actions,  
award of judgment.  
72 Stat. 1124.

63 Stat. 62.  
62 Stat. 983,  
984; 73 Stat. 471.

Death benefits,  
effective date.  
72 Stat. 1229.

*Ante*, p. 948.

38 USC 301-501.

Repeal.  
72 Stat. 1225,  
1227.

72 Stat. 1113;  
74 Stat. 195.

Effective date.

SEC. 3. Section 351 of title 38, United States Code, is amended by striking out “; except that no benefits shall be awarded unless application be made therefor within two years after such injury or aggravation was suffered, or such death occurred”, and by adding at the end thereof the following: “Where an individual is hereafter awarded a judgment against the United States in a civil action brought pursuant to section 1346(b) of title 28, United States Code, or hereafter enters into a settlement or compromise under section 2672 or 2677 of title 28, United States Code, by reason of a disability, aggravation, or death treated pursuant to this section as if it were service-connected, then no benefits shall be paid to such individual for any month beginning after the date such judgment, settlement, or compromise on account of such disability, aggravation, or death becomes final until the aggregate amount of benefits which would be paid but for this sentence equals the total amount included in such judgment, settlement, or compromise.”

SEC. 4. (a) Chapter 53 of title 38, United States Code, is amended by adding the following new section:

**“§ 3110. Payment of benefits for month of death**

“If, in accordance with the provisions of section 3010(d) of this title, a widow is entitled to death benefits under chapter 11, 13, or 15 of this title for the month in which a veteran’s death occurs, the amount of such death benefits for that month shall be not less than the amount of benefits the veteran would have received under chapter 11 or 15 of this title for that month but for his death.”

(b) The analysis of chapter 53 of title 38, United States Code, is amended by adding at the end thereof the following:

“3110. Payment of benefits for month of death.”

SEC. 5. (a) Sections 3004 and 3011 of title 38, United States Code, are repealed.

(b) The analysis of chapter 51 of title 38, United States Code, is amended by striking out “3004. Disallowed claims.” and “3011. Effective dates of increases.”.

SEC. 6. Sections 110 and 359 of title 38, United States Code, are amended by adding the following sentence at the end of each section: “The mentioned period shall be computed from the date determined by the Administrator as the date on which the status commenced for rating purposes.”

SEC. 7. This Act shall take effect on the first day of the second calendar month which begins after the date of enactment of this Act, but no payments shall be made by reason of this Act for any period before such effective date. Payments for any period before such effective date shall be made under prior laws and regulations. The provisions of this Act with respect to reductions and discontinuances shall be applicable only where the event requiring such reduction or discontinuance occurs on or after such effective date. If such event occurred before such effective date, action shall be taken pursuant to the prior laws and regulations.

Approved October 15, 1962.

## Public Law 87-826

## AN ACT

To amend title 13 of the United States Code to provide for the collection and publication of foreign commerce and trade statistics, and for other purposes.

October 15, 1962  
[H. R. 7791]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the analysis of title 13, United States Code, immediately preceding chapter 1 of such title, is amended by adding immediately after and underneath item 7 in such analysis the following new item:

Foreign commerce  
and trade statis-  
tics.  
Collection and  
publication.

"9. Collection and Publication of Foreign Trade Statistics..... 301."

SEC. 2. Title 13, United States Code, is further amended by inserting at the end thereof the following new chapter:

**"CHAPTER 9—COLLECTION AND PUBLICATION OF  
FOREIGN COMMERCE AND TRADE STATISTICS**

Sec.

"301. Collection and publication.

"302. Rules, regulations, and orders.

"303. Secretary of Treasury, functions.

"304. Filing export information, delayed filings, penalties for failure to file.

"305. Violations, penalties.

"306. Delegation of functions.

"307. Relationship to general census law.

**"§ 301. Collection and publication**

"The Secretary is authorized to collect information from all persons exporting from, or importing into, the United States and the non-contiguous areas over which the United States exercises sovereignty, jurisdiction, or control, and from all persons engaged in trade between the United States and such noncontiguous areas and between those areas, or from the owners, or operators of carriers engaged in such foreign commerce or trade, and shall compile and publish such information pertaining to exports, imports, trade, and transportation relating thereto, as he deems necessary or appropriate to enable him to foster, promote, develop, and further the commerce, domestic and foreign, of the United States and for other lawful purposes.

**"§ 302. Rules, regulations, and orders**

"The Secretary may make such rules, regulations, and orders as he deems necessary or appropriate to carry out the provisions of this chapter. Any rules, regulations, or orders issued pursuant to this authority may be established in such form or manner, may contain such classifications or differentiations, and may provide for such adjustments and reasonable exceptions as in the judgment of the Secretary are necessary or proper to effectuate the purpose of this chapter, or to prevent circumvention or evasion of any rule, regulation, or order issued hereunder. The Secretary may also provide by rule or regulation, for such confidentiality, publication, or disclosure, of information collected hereunder as he may deem necessary or appropriate in the public interest. Rules, regulations, and orders, or amendments thereto shall have the concurrence of the Secretary of the Treasury prior to promulgation.

**"§ 303. Secretary of Treasury functions**

"To assist the Secretary to carry out the provisions of this chapter, the Secretary of the Treasury shall collect information in the form and manner prescribed by the regulations issued pursuant to this chapter from persons engaged in foreign commerce or trade, other than by mail, and from the owners or operators of carriers.

**“§ 304. Filing export information, delayed filings, penalties for failure to file**

“(a) The information or reports in connection with the exportation or transportation of cargo required to be filed by carriers with the Secretary of the Treasury under any rule, regulation, or order issued pursuant to this chapter may be filed after the departure of such carrier from the port or place of exportation or transportation, whether such departing carrier is destined directly to a foreign port or place or to a noncontiguous area, or proceeds by way of other ports or places of the United States, provided that a bond in an approved form in the penal sum of \$1,000 is filed with the Secretary of the Treasury. The Secretary of Commerce may, by a rule, regulation, or order issued in conformity herewith, prescribe a maximum period after such departure during which the required information or reports may be filed. In the event any such information or report is not filed within such prescribed period, a penalty not to exceed \$100 for each day's delinquency beyond the prescribed period, but not more than \$1,000, shall be exacted. Civil suit may be instituted in the name of the United States against the principal and surety for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond.

“(b) The Secretary may remit or mitigate any penalty incurred for violations of this section and regulations issued pursuant thereto if, in his opinion, they were incurred without willful negligence or fraud, or other circumstances justify a remission or mitigation.

**“§ 305. Violations, penalties**

“Any person, including the owners or operators of carriers, violating the provisions of this chapter, or any rule, regulation, or order issued thereunder, except as provided in section 304 above, shall be liable to a penalty not to exceed \$1,000 in addition to any other penalty imposed by law. The amount of any such penalty shall be payable into the Treasury of the United States and shall be recoverable in a civil suit in the name of the United States.

**“§ 306. Delegation of functions**

“Subject to the concurrence of the head of the department or agency concerned, the Secretary may make such provisions as he shall deem appropriate, authorizing the performance by any officer, agency, or employee of the United States Government departments or offices, or the governments of any areas over which the United States exercises sovereignty, jurisdiction, or control, of any function of the Secretary, contained in this chapter.

**“§ 307. Relationship to general census law**

“The following sections only, 1, 2, 3, 4, 5, 6, 7, 11, 21, 22, 23, 24, 211, 212, 213, and 214, of chapters 1 through 7 of this title are applicable to this chapter.”

SEC. 3. The sections of the Acts, and the Acts or parts of Acts, enumerated in the following schedule, are hereby repealed. Any rights or liabilities now existing under such statutes or parts thereof, and any proceedings instituted under or growing out of, any of such statutes or parts thereof, shall not be affected by this repeal.

## Public Law 87-828

## AN ACT

October 15, 1962  
[H. R. 9342]

To provide for an exchange of lands between the United States and the Southern Ute Indian Tribe, and for other purposes.

Indians.  
Southern Ute  
Tribe, Colo.  
Exchange of  
lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) there is hereby transferred to the United States all of the right, title, and interest of the Southern Ute Indian Tribe in the following lands, which are needed for the Navajo Dam and Reservoir project, except the minerals therein and the right to prospect for and remove them in a manner that does not impair the project, as prescribed by the Secretary of the Interior:

NEW MEXICO PRINCIPAL MERIDIAN, COLORADO  
TOWNSHIP 32 NORTH, RANGE 4 WEST

Section 16: West half northwest quarter southwest quarter southwest quarter, northwest quarter southwest quarter southwest quarter southwest quarter,

Section 17: South half south half northwest quarter southeast quarter, north half southwest quarter southwest quarter, north half south half southwest quarter southwest quarter, south half southwest quarter northeast quarter southeast quarter,

Section 18: North half northwest quarter southwest quarter, northeast quarter southeast quarter northwest quarter southwest quarter, north half southeast quarter southeast quarter, north half south half southeast quarter southeast quarter, northeast quarter southwest quarter southeast quarter, north half northwest quarter southwest quarter southeast quarter, north half northeast quarter southeast quarter southwest quarter.

TOWNSHIP 32 NORTH, RANGE 5 WEST

Section 5: Southeast quarter northeast quarter southeast quarter northwest quarter, east half southeast quarter southeast quarter northwest quarter,

Section 9: West half, east half southeast quarter southeast quarter, west half southeast quarter southeast quarter, southwest quarter southeast quarter, southeast quarter southeast quarter southeast quarter southeast quarter,

Section 10: Southeast quarter southeast quarter, southwest quarter southeast quarter, northeast quarter southeast quarter northeast quarter southeast quarter, south half south half northeast quarter southeast quarter, southeast quarter southeast quarter southwest quarter, south half southwest quarter southeast quarter southwest quarter, northeast quarter southwest quarter southeast quarter southwest quarter, southeast quarter southeast quarter southwest quarter southwest quarter,

Section 11: South half south half northwest quarter southwest quarter, northwest quarter southwest quarter northwest quarter southwest quarter, south half southwest quarter northeast quarter southwest quarter,

Section 12: Southeast quarter southwest quarter southwest quarter southwest quarter, south half southeast quarter southwest quarter southwest quarter, south half south half southeast quarter southwest quarter,

Section 13: Northeast quarter northeast quarter southwest quarter, north half northwest quarter southeast quarter, north half north half northeast quarter southeast quarter,

Section 14: North half north half northeast quarter southwest quarter, north half northeast quarter northwest quarter southwest quarter, north half northwest quarter northwest quarter southeast quarter,

Section 15: West half northwest quarter northeast quarter southeast quarter, west half northeast quarter, northwest quarter southeast quarter, north half north half southwest quarter southeast quarter,

Section 16: Northeast quarter.

Containing 707.5 acres, more or less.

(b) In exchange for such conveyance, the Secretary of the Interior is authorized to transfer to the United States in trust for the Southern Ute Indian Tribe, subject to valid existing rights, public lands on the Archuleta Mesa, reserving to the United States the minerals therein and the right to prospect for and remove them under regulations of the Secretary of the Interior, that are contiguous to the present eastern boundary of the Southern Ute Indian Reservation, and that have a value equal to or not materially greater than the value of the lands conveyed by the tribe, such values to be determined by the Secretary: *Provided*, That such public lands shall be selected in a manner that will not increase the Government's management problem for other public lands, the selection shall be approved by the Southern Ute Indian Tribe, and the Southern Ute Indian Tribe shall pay to the United States any difference in the values of the lands exchanged.

Archuleta Mesa,  
reservation of  
mineral rights by  
U. S.

(c) The owners of the range improvements of a permanent nature placed, under the authority of a permit from or agreement with the United States, on the public lands conveyed to the tribe shall be compensated for the reasonable value of such improvements, as determined by the Secretary, out of appropriations available for the construction of the Navajo unit, Colorado River storage project.

Compensation  
for improvements.

(d) Persons whose grazing permits, licenses, or leases on the public lands conveyed to the tribe are canceled because of such conveyance shall be compensated in accordance with the standard prescribed by the Act of July 9, 1942, as amended (43 U.S.C. 315q), out of appropriations available for the construction of the Navajo unit, Colorado River storage project.

56 Stat. 654.

(e) The public lands conveyed to the tribe shall be a part of the Southern Ute Indian Reservation and shall be subject to the laws and regulations applicable to other tribal lands in that reservation.

(f) The tribal lands conveyed to the United States shall no longer be "Indian country" within the meaning of section 1151 of title 18 of the United States Code. They shall have the status of public lands withdrawn for administration pursuant to the Federal reclamation laws, and they shall be subject to all laws and regulations governing the use and disposition of public lands in that status.

"Indian country,"  
62 Stat. 757.

(g) In any right-of-way granted by the United States for a railroad over the tribal lands conveyed to the United States, the Secretary shall provide the Southern Ute Indians, at such points as he determines to be reasonable, the privilege of crossing such right-of-way.

R. R. right-of-  
way.  
Crossing priv-  
ileges.

(h) The tribal lands conveyed to the United States shall not be utilized for public recreational facilities without the approval of the Southern Ute Tribal Council.

Public recrea-  
tional facilities,  
approval.

(i) Nothing in this Act shall be construed to abridge any fishing rights that are vested in the Indians.

Fishing rights.

Approved October 15, 1962.



## Public Law 87-829

October 15, 1962  
[H. R. 6691]

## AN ACT

To amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes.

President and  
successors.  
Protection.  
69 Stat. 80.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 18, United States Code, section 871, is amended to read as follows:

**“§ 871. Threats against President and successors to the Presidency**

Penalty for  
threats.

“(a) Whoever knowingly and willfully deposits for conveyance in the mail or for a delivery from any post office or by any letter carrier any letter, paper, writing, print, missive, or document containing any threat to take the life of or to inflict bodily harm upon the President of the United States, the President-elect, the Vice President or other officer next in the order of succession to the office of President of the United States, or the Vice President-elect, or knowingly and willfully otherwise makes any such threat against the President, President-elect, Vice President or other officer next in the order of succession to the office of President, or Vice President-elect, shall be fined not more than \$1,000 or imprisoned not more than five years, or both.

Definitions.

“(b) The terms ‘President-elect’ and ‘Vice President-elect’ as used in this section shall mean such persons as are the apparent successful candidates for the offices of President and Vice President, respectively, as ascertained from the results of the general elections held to determine the electors of President and Vice President in accordance with title 3, United States Code, sections 1 and 2. The phrase ‘other officer next in the order of succession to the office of President’ as used in this section shall mean the person next in the order of succession to act as President in accordance with title 3, United States Code, sections 19 and 20.”

62 Stat. 672.

62 Stat. 677,  
678.  
18 USC 871-  
877.

SEC. 2. The analysis of chapter 41 of title 18, United States Code, immediately preceding section 871 of such title is amended by deleting

“871. Threats against President, President-elect, and Vice President.”

and inserting in lieu thereof the following:

“871. Threats against President and successors to the Presidency.”

65 Stat. 122.

SEC. 3. The first independent clause of title 18, United States Code, section 3056, is amended to read as follows:

**“§ 3056. Secret Service powers**

“Subject to the direction of the Secretary of the Treasury, the United States Secret Service, Treasury Department, is authorized to protect the person of the President of the United States, the members of his immediate family, the President-elect, the Vice President or other officer next in the order of succession to the office of President, and the Vice President-elect; protect a former President, at his request, for a reasonable period after he leaves office;”.

Approved October 15, 1962.

## Public Law 87-830

## AN ACT

October 15, 1962  
[H. R. 10617]

Providing that the United States district courts shall have jurisdiction of certain cases involving pollution of interstate river systems, and providing for the venue thereof.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the United States district courts shall have original jurisdiction (concurrent with that of the Supreme Court of the United States, and concurrent with that of any other court of the United States or of any State of the United States, in matters in which the Supreme Court, or any other court, has original jurisdiction) of any case or controversy—

U. S. district  
courts.  
Jurisdiction,  
interstate com-  
pact water pol-  
lution disputes.

(1) which involves the construction or application of an interstate compact which (A) in whole or in part relates to the pollution of the waters of an interstate river system or any portion thereof, and (B) expresses the consent of the States signatory to said compact to be sued in a district court in any case or controversy involving the application or construction thereof; and

(2) which involves pollution of the waters of such river system, or any portion thereof, alleged to be in violation of the provisions of said compact; and

(3) in which one or more of the States signatory to said compact is a plaintiff or plaintiffs; and

(4) which is within the judicial power of the United States as set forth in the Constitution of the United States.

(b) The district courts shall have original jurisdiction of a case or controversy such as is referred to in subsection (a) of this section, without any requirement, limitation, or regard as to the sum or value of the matter in controversy, or of the place of residence or situs or citizenship, or of the nature, character, or legal status, of any of the proper parties plaintiff or defendant in said case or controversy other than the signatory State or States plaintiff or plaintiffs referred to in paragraph (3) of subsection (a) of this section: *Provided*, That nothing in this Act shall be construed as authorizing a State to sue its own citizens in said courts.

(c) The original jurisdiction conferred upon the district courts by this section shall include, but not be limited to, suits between States signatory to such interstate compact: *Provided*, That nothing in this Act shall be construed as authorizing a State to sue another State which is not a signatory to such compact in said courts.

(d) The venue of such case or controversy shall be as prescribed by law: *Provided*, That in addition thereto, such case or controversy may be brought in in any judicial district in which the acts of pollution complained of, or any portion thereof, occur, regardless of the place or places of residence, or situs, of any of the parties plaintiff or defendant.

Venue.

SEC. 2. If any part or application of this Act should be declared invalid by a court of competent jurisdiction, said invalidity shall not affect the other parts, or the other applications, of said Act.

Separability.

Approved October 15, 1962.

## Public Law 87-831

## AN ACT

October 15, 1962  
[H. R. 12513]

To provide for public notice of settlements in patent interferences, and for other purposes.

Patent inter-  
ferences.  
Notice of settle-  
ment.  
66 Stat. 801.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 135 of title 35, United States Code, is amended by designating the first and second paragraphs thereof as subsections (a) and (b), respectively, and by adding thereto the following subsection:

“(c) Any agreement or understanding between parties to an interference, including any collateral agreements referred to therein, made in connection with or in contemplation of the termination of the interference, shall be in writing and a true copy thereof filed in the Patent Office before the termination of the interference as between the said parties to the agreement or understanding. If any party filing the same so requests, the copy shall be kept separate from the file of the interference, and made available only to Government agencies on written request, or to any person on a showing of good cause. Failure to file the copy of such agreement or understanding shall render permanently unenforceable such agreement or understanding and any patent of such parties involved in the interference or any patent subsequently issued on any application of such parties so involved. The Commissioner may, however, on a showing of good cause for failure to file within the time prescribed, permit the filing of the agreement or understanding during the six-month period subsequent to the termination of the interference as between the parties to the agreement or understanding.

“The Commissioner shall give notice to the parties or their attorneys of record, a reasonable time prior to said termination, of the filing requirement of this section. If the Commissioner gives such notice at a later time, irrespective of the right to file such agreement or understanding within the six-month period on a showing of good cause, the parties may file such agreement or understanding within sixty days of the receipt of such notice.

“Any discretionary action of the Commissioner under this subsection shall be reviewable under section 10 of the Administrative Procedure Act.”

60 Stat. 243.  
5 USC 1009.

Approved October 15, 1962.

## Public Law 87-832

## AN ACT

October 15, 1962  
[H. R. 946]

To extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen.

Oyster planters.  
Disaster loans.

75 Stat. 311.  
7 USC 1961.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of section 321 of the Consolidated Farmers Home Administration Act of 1961 is amended by striking out “farmers or ranchers” and inserting “farmers, ranchers, or oyster planters” and by striking out “farming or ranching” and inserting “farming, ranching, or oyster planting”.

Approved October 15, 1962.

## Public Law 87-833

## AN ACT

October 15, 1962  
[H. R. 11678]

To waive section 142 of title 28, United States Code, with respect to the United States District Court for the Northern District of Ohio, Eastern Division, holding court at Akron, Ohio.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the limitations and restrictions contained in section 142 of title 28, United States Code, shall be waived with respect to the holding of court at Akron, Ohio, by the United States District Court for the Northern District of Ohio, Eastern Division.

District court.  
Akron, Ohio.  
62 Stat. 898.

Approved October 15, 1962.

## Public Law 87-834

## AN ACT

October 16, 1962  
[H. R. 10650]

To amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property, to eliminate certain defects and inequities, and for other purposes.

Revenue Act of  
1962.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE, ETC.**

(a) **SHORT TITLE.**—This Act may be cited as the “Revenue Act of 1962”.

**(b) TABLE OF CONTENTS.—****Sec. 1. Short title, etc.**

- (a) Short title.
- (b) Table of contents.
- (c) Amendment of 1954 code.

**Sec. 2. Credit for investment in certain depreciable property.**

- (a) Allowance of credit.
- (b) Rules for computing credit.
- (c) Deduction for unused credit.
- (d) Certain corporate acquisitions.
- (e) Statutes of limitations and interest relating to investment credit carrybacks.
- (f) Technical amendment.
- (g) Clerical amendments.
- (h) Effective date.

**Sec. 3. Appearances, etc., with respect to legislation.**

- (a) In general.
- (b) Effective date.

**Sec. 4. Disallowance of certain entertainment, etc., expenses.**

- (a) Denial of deduction.
- (b) Traveling expenses.
- (c) Effective date.

**Sec. 5. Amount of distribution where certain foreign corporations distribute property in kind.**

- (a) Amount distributed.
- (b) Basis.
- (c) Dividends received from certain foreign corporations.
- (d) Effective date.

**Sec. 6. Mutual savings banks, etc.**

- (a) Reserves for losses on loans.
- (b) Foreclosure on property securing loans.
- (c) Definition of domestic building and loan association.
- (d) Clerical amendments.
- (e) Repeal of exemption from certain excise taxes.
- (f) Deduction for dividends or interest paid on deposits.
- (g) Effective dates.

**Sec. 7. Distributions by foreign trusts.**

- (a) Definitions.
- (b) Accumulation distributions of foreign trusts.
- (c) Allocation of accumulation distributions to preceding years.
- (d) Amounts treated as received in prior years.
- (e) Special rules for foreign trusts.
- (f) Information returns with respect to foreign trusts.
- (g) Failure to file information returns.
- (h) United States person defined.
- (i) Technical amendments.
- (j) Effective date.

**Sec. 8. Mutual insurance companies (other than life, marine, and certain fire or flood insurance companies), etc.**

- (a) Imposition of tax.
- (b) Taxable investment income.
- (c) Statutory underwriting income or loss.
- (d) Exemption from tax.
- (e) Mutual fire insurance companies operating on basis of premium deposits.
- (f) Election of certain mutual companies to be taxed on total income.
- (g) Technical amendments, etc.
- (h) Effective date.

## (b) TABLE OF CONTENTS.—Continued

- Sec. 9. Domestic corporations receiving dividends from foreign corporations.
  - (a) Foreign taxes deemed paid by domestic corporations.
  - (b) Inclusion in gross income of amount equal to taxes deemed paid.
  - (c) Determination of source of dividends received from certain foreign corporations.
  - (d) Technical amendments.
  - (e) Effective date.
- Sec. 10. Separate limitation on foreign tax credit with respect to certain interest income.
  - (a) Limitation on foreign tax credit.
  - (b) Effective date.
- Sec. 11. Earned income from sources without the United States.
  - (a) Limitation on amount and type of income excluded.
  - (b) Computation of employees' contributions.
  - (c) Effective dates.
- Sec. 12. Controlled foreign corporations.
  - (a) In general.
  - (b) Technical and clerical amendments.
  - (c) Effective date.
- Sec. 13. Gain from dispositions of certain depreciable property.
  - (a) In general.
  - (b) Change in method of depreciation.
  - (c) Salvage value of personal property.
  - (d) Special rule for charitable contributions of section 1245 property.
  - (e) Computation of taxable income for purposes of limitation on percentage depletion deduction.
  - (f) Technical amendments.
  - (g) Effective dates.
- Sec. 14. Foreign investment companies.
  - (a) Treatment of sale of stock of foreign investment companies.
  - (b) Conforming amendments.
  - (c) Effective date.
- Sec. 15. Gain from certain sales or exchanges of stock in certain foreign corporations.
  - (a) Treatment of gain from the redemption, cancellation, or sale of stock in certain foreign corporations.
  - (b) Clerical amendment.
  - (c) Effective date.
- Sec. 16. Sales and exchanges of patents, etc., to certain foreign corporations.
  - (a) Treatment of gain as ordinary income.
  - (b) Clerical amendment.
  - (c) Effective date.
- Sec. 17. Tax treatment of cooperatives and patrons.
  - (a) In general.
  - (b) Technical amendments.
  - (c) Effective dates.
- Sec. 18. Inclusion of foreign real property in gross estate.
  - (a) Amendments to include foreign real property.
  - (b) Effective date.
- Sec. 19. Reporting of interest, dividend, and patronage dividend payments of \$10 or more during a year.
  - (a) Returns regarding payment of dividends.
  - (b) Returns regarding payment of patronage dividends.
  - (c) Returns regarding payment of interest.
  - (d) Penalties for failure to file information returns.
  - (e) Penalties for failure to furnish statements to persons with respect to whom returns are filed.
  - (f) Technical amendments.
  - (g) Clerical amendments.
  - (h) Effective dates.

## (b) TABLE OF CONTENTS.—Continued

## Sec. 20. Information with respect to certain foreign entities.

- (a) Information to be furnished by individuals, domestic corporations, etc., with respect to certain foreign corporations.
- (b) Information as to organization or reorganization of foreign corporations and as to acquisitions of their stock.
- (c) Civil penalty for failure to file return.
- (d) Technical amendments.
- (e) Effective date.

## Sec. 21. Expenditures by farmers for clearing land.

- (a) Allowance of deduction.
- (b) Conforming amendment.
- (c) Clerical amendment.
- (d) Effective date.

## Sec. 22. Charitable contributions made from income attributable to several taxable years.

- (a) Treatment for purposes of part I of subchapter Q.
- (b) Effective date.

## Sec. 23. Effective date of section 1371(c) of the Internal Revenue Code of 1954.

- (a) In general.
- (b) Election and consent by corporations; consents by shareholders.
- (c) Tolling of statutes of limitations.

## Sec. 24. Certain losses sustained in converting from street railway to bus operations.

- (a) In general.
- (b) Unused conversion loss defined.
- (c) Treatment of unused conversion loss.
- (d) Regulations.

## Sec. 25. Pension plan of Local Union Numbered 435, International Hod Carriers' Building and Common Laborers' Union of America.

## Sec. 26. Continuation of a partnership year for surviving partner in a two-man partnership where one dies.

- (a) Close of taxable year of two-man partnership when one partner dies.
- (b) Effective date, etc.

## Sec. 27. Exclusion from gross income of certain awards made pursuant to evacuation claims of Japanese-American persons.

- (a) In general.
- (b) Effective date, etc.

## Sec. 28. Deduction for depreciation by tenant-stockholder of cooperative housing corporation.

- (a) Allowance of deduction.
- (b) Clerical amendment.
- (c) Effective date.

## Sec. 29. Deduction for income tax purposes of contributions to certain organizations for judicial reform.

## Sec. 30. Effective date of amendment to section 1374(b).

## Sec. 31. Treaties.

(c) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

26 USC 1 et seq.

**SEC. 2. CREDIT FOR INVESTMENT IN CERTAIN DEPRECIABLE PROPERTY.**

(a) ALLOWANCE OF CREDIT.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by redesignating section 38 as section 39 and by inserting after section 37 the following new section:

26 USC 31-38.

**"SEC. 38. INVESTMENT IN CERTAIN DEPRECIABLE PROPERTY.**

"(a) GENERAL RULE.—There shall be allowed, as a credit against the tax imposed by this chapter, the amount determined under subpart B of this part.

Post, pp. 967, 968.

Post, p. 963.

“(b) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section and subpart B.”

(b) RULES FOR COMPUTING CREDIT.—Part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following new subpart:

26 USC 31-38.

**“Subpart B—Rules for Computing Credit for Investment in Certain Depreciable Property**

“Sec. 46. Amount of credit.

“Sec. 47. Certain dispositions, etc., of section 38 property.

“Sec. 48. Definitions; special rules.

**“SEC. 46. AMOUNT OF CREDIT.**

“(a) DETERMINATION OF AMOUNT.—

“(1) GENERAL RULE.—The amount of the credit allowed by section 38 for the taxable year shall be equal to 7 percent of the qualified investment (as defined in subsection (c)).

Ante, p. 962.

“(2) LIMITATION BASED ON AMOUNT OF TAX.—Notwithstanding paragraph (1), the credit allowed by section 38 for the taxable year shall not exceed—

“(A) so much of the liability for tax for the taxable year as does not exceed \$25,000, plus

“(B) 25 percent of so much of the liability for tax for the taxable year as exceeds \$25,000.

“(3) LIABILITY FOR TAX.—For purposes of paragraph (2), the liability for tax for the taxable year shall be the tax imposed by this chapter for such year, reduced by the sum of the credits allowable under—

“(A) section 33 (relating to foreign tax credit),

“(B) section 34 (relating to dividends received by individuals),

26 USC 33.

“(C) section 35 (relating to partially tax-exempt interest), and

“(D) section 37 (relating to retirement income).

For purposes of this paragraph, any tax imposed for the taxable year by section 531 (relating to accumulated earnings tax) or by section 541 (relating to personal holding company tax) shall not be considered tax imposed by this chapter for such year.

“(4) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return, the amount specified under subparagraphs (A) and (B) of paragraph (2) shall be \$12,500 in lieu of \$25,000. This paragraph shall not apply if the spouse of the taxpayer has no qualified investment for, and no unused credit carryback or carryover to, the taxable year of such spouse which ends within or with the taxpayer's taxable year.

“(5) AFFILIATED GROUPS.—In the case of an affiliated group, the \$25,000 amount specified under subparagraphs (A) and (B) of paragraph (2) shall be reduced for each member of the group by apportioning \$25,000 among the members of such group in such manner as the Secretary or his delegate shall by regulations prescribe. For purposes of the preceding sentence, the term ‘affiliated group’ has the meaning assigned to such term by section 1504(a), except that all corporations shall be treated as includible corporations (without any exclusion under section 1504(b)).

“(b) CARRYBACK AND CARRYOVER OF UNUSED CREDITS.—

“(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under subsection (a) (1) for any taxable year exceeds the limitation provided by subsection (a) (2) for such taxable year



(hereinafter in this subsection referred to as 'unused credit year'), such excess shall be—

"(A) an investment credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) an investment credit carryover to each of the 5 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by section 38 for such years, except that such excess may be a carryback only to a taxable year ending after December 31, 1961. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 8 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other 7 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (a)(2) for such taxable year exceeds the sum of—

"(A) the credit allowable under subsection (a)(1) for such taxable year, and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused credit year.

"(3) EFFECT OF NET OPERATING LOSS CARRYBACK.—To the extent that the excess described in paragraph (1) arises by reason of a net operating loss carryback, subparagraph (A) of paragraph (1) shall not apply.

"(4) TAXABLE YEAR BEGINNING BEFORE JANUARY 1, 1962.—For purposes of determining the amount of an investment credit carryback that may be added under paragraph (1) for a taxable year beginning before January 1, 1962, and ending after December 31, 1961, the amount of the limitation provided by subsection (a)(2) is the amount which bears the same ratio to such limitation as the number of days in such year after December 31, 1961, bears to the total number of days in such year.

"(c) QUALIFIED INVESTMENT.—

"(1) IN GENERAL.—For purposes of this subpart, the term 'qualified investment' means, with respect to any taxable year, the aggregate of—

"(A) the applicable percentage of the basis of each new section 38 property (as defined in section 48(b)) placed in service by the taxpayer during such taxable year, plus

"(B) the applicable percentage of the cost of each used section 38 property (as defined in section 48(c)(1)) placed in service by the taxpayer during such taxable year.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage for any property shall be determined under the following table:

| "If the useful life is—                    | The applicable percentage is— |
|--|-------------------------------|
| 4 years or more but less than 6 years..... | 33 $\frac{1}{3}$              |
| 6 years or more but less than 8 years..... | 66 $\frac{2}{3}$              |
| 8 years or more.....                       | 100                           |

*Ante*, p. 962.

*Post*, p. 968.

*Post*, p. 968.

For purposes of this paragraph, the useful life of any property shall be determined as of the time such property is placed in service by the taxpayer.

“(3) PUBLIC UTILITY PROPERTY.—

“(A) In the case of section 38 property which is public utility property, the amount of the qualified investment shall be  $\frac{3}{7}$  of the amount determined under paragraph (1).

*Ante*, p. 962.

“(B) For purposes of subparagraph (A), the term ‘public utility property’ means property used predominantly in the trade or business of the furnishing or sale of—

“(i) electrical energy, water, or sewage disposal services,

“(ii) gas through a local distribution system,

“(iii) telephone service, or

“(iv) telegraph service by means of domestic telegraph operations (as defined in section 222(a)(5) of the Communications Act of 1934, as amended; 47 U.S.C., sec. 222(a)(5)),

57 Stat. 5.

if the rates for such furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, by an agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of any State or political subdivision thereof.

“(4) CERTAIN REPLACEMENT PROPERTY.—For purposes of paragraph (1), if section 38 property is placed in service by the taxpayer to replace property which was—

“(A) destroyed or damaged by fire, storm, shipwreck, or other casualty, or

“(B) stolen,

the basis of such section 38 property (in the case of new section 38 property), or the cost of such section 38 property (in the case of used section 38 property), which (but for this paragraph) would be taken into account under paragraph (1) shall be reduced by an amount equal to the amount received by the taxpayer as compensation, by insurance or otherwise, for the property so destroyed, damaged, or stolen, or to the adjusted basis of such property, whichever is the lesser. No reduction in basis or cost shall be made under the preceding sentence in any case in which the reduction in qualified investment attributable to the substitution required by section 47(a)(1) with respect to the property so destroyed, damaged, or stolen (determined without regard to section 47(a)(4)) is greater than the reduction described in the preceding sentence.

*Post*, p. 966.

“(d) LIMITATIONS WITH RESPECT TO CERTAIN PERSONS.—

“(1) IN GENERAL.—In the case of—

“(A) an organization to which section 593 applies,

*Post*, p. 977.

“(B) a regulated investment company or a real estate investment trust subject to taxation under subchapter M (sec. 851 and following), and

“(C) a cooperative organization described in section 1381(a),

the qualified investment and the \$25,000 amount specified under subparagraphs (A) and (B) of subsection (a)(2) shall equal such person's ratable share of such items.

“(2) RATABLE SHARE.—For purposes of paragraph (1), the ratable share of any person for any taxable year of the items described therein shall be—

“(A) in the case of an organization referred to in paragraph (1)(A), 50 percent thereof,

26 USC 852, 857.

Post, p. 1046.

Post, p. 1045.

“(B) in the case of a regulated investment company or a real estate investment trust, the ratio (i) the numerator of which is its taxable income and (ii) the denominator of which is its taxable income computed without regard to the deduction for dividends paid provided by section 852(b)(2)(D) or 857(b)(2)(C), as the case may be, and

“(C) in the case of a cooperative organization, the ratio (i) the numerator of which is its taxable income and (ii) the denominator of which is its taxable income increased by amounts to which section 1382(b) or (c) applies and similar amounts the tax treatment of which is determined without regard to subchapter T (sec. 1381 and following).

For purposes of subparagraph (B) of the preceding sentence, the term ‘taxable income’ means in the case of a regulated investment company its investment company taxable income (within the meaning of section 852(b)(2)), and in the case of a real estate investment trust its real estate investment trust taxable income (within the meaning of section 857(b)(2)).

Ante, p. 962.

**“SEC. 47. CERTAIN DISPOSITIONS, ETC., OF SECTION 38 PROPERTY.**

“(a) **GENERAL RULE.**—Under regulations prescribed by the Secretary or his delegate—

“(1) **EARLY DISPOSITION, ETC.**—If during any taxable year any property is disposed of, or otherwise ceases to be section 38 property with respect to the taxpayer, before the close of the useful life which was taken into account in computing the credit under section 38, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from substituting, in determining qualified investment, for such useful life the period beginning with the time such property was placed in service by the taxpayer and ending with the time such property ceased to be section 38 property.

Ante, p. 965.

“(2) **PROPERTY BECOMES PUBLIC UTILITY PROPERTY.**—If during any taxable year any property taken into account in determining qualified investment becomes public utility property (within the meaning of section 46(c)(3)(B)), then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from treating the property, for purposes of determining qualified investment, as public utility property (after giving due regard to the period before such change in use). If the application of this paragraph to any property is followed by the application of paragraph (1) to such property, proper adjustment shall be made in applying paragraph (1).

“(3) **CARRYBACKS AND CARRYOVERS ADJUSTED.**—In the case of any cessation described in paragraph (1) or any change in use described in paragraph (2), the carrybacks and carryovers under section 46(b) shall be adjusted by reason of such cessation (or change in use).

“(4) **PROPERTY DESTROYED BY CASUALTY, ETC.**—No increase shall be made under paragraph (1) and no adjustment shall be made under paragraph (3) in any case in which—

“(A) any property is disposed of, or otherwise ceases to be section 38 property with respect to the taxpayer, on account of its destruction or damage by fire, storm, shipwreck, or other casualty, or by reason of its theft,

“(B) section 38 property is placed in service by the taxpayer to replace the property described in subparagraph (A), and

*Ante*, p. 962.

“(C) the reduction in basis or cost of such section 38 property described in the first sentence of section 46(c)(4) is equal to or; greater than the reduction in qualified investment which (but for this paragraph) would be made by reason of the substitution required by paragraph (1) with respect to the property described in subparagraph (A).

*Ante*, p. 965.

“(b) SECTION NOT TO APPLY IN CERTAIN CASES.—Subsection (a) shall not apply to—

“(1) a transfer by reason of death, or

“(2) a transaction to which section 381(a) applies.

26 USC 381.

For purposes of subsection (a), property shall not be treated as ceasing to be section 38 property with respect to the taxpayer by reason of a mere change in the form of conducting the trade or business so long as the property is retained in such trade or business as section 38 property and the taxpayer retains a substantial interest in such trade or business.

“(c) SPECIAL RULE.—Any increase in tax under subsection (a) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit allowable under subpart A.

#### “SEC. 48. DEFINITIONS; SPECIAL RULES.

“(a) SECTION 38 PROPERTY.—

“(1) IN GENERAL.—Except as provided in this subsection, the term ‘section 38 property’ means—

“(A) tangible personal property, or

“(B) other tangible property (not including a building and its structural components) but only if such property—

“(i) is used as an integral part of manufacturing, production, or extraction or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services, or

“(ii) constitutes a research or storage facility used in connection with any of the activities referred to in clause (i).

Such term includes only property with respect to which depreciation (or amortization in lieu of depreciation) is allowable and having a useful life (determined as of the time such property is placed in service) of 4 years or more.

“(2) PROPERTY USED OUTSIDE THE UNITED STATES.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the term ‘section 38 property’ does not include property which is used predominantly outside the United States.

“(B) EXCEPTIONS.—Subparagraph (A) shall not apply to—

“(i) any aircraft which is registered by the Administrator of the Federal Aviation Agency and which is operated to and from the United States;

“(ii) rolling stock, of a domestic railroad corporation subject to part I of the Interstate Commerce Act, which is used within and without the United States;

“(iii) any vessel documented under the laws of the United States which is operated in the foreign or domestic commerce of the United States;

“(iv) any motor vehicle of a United States person (as defined in section 7701(a)(30)) which is operated to and from the United States;

24 Stat. 379.  
49 USC 1 *et seq.*

*Post*, p. 988.

“(v) any container of a United States person which is used in the transportation of property to and from the United States; and

“(vi) any property (other than a vessel or an aircraft) of a United States person which is used for the purpose of exploring for, developing, removing, or transporting resources from the outer Continental Shelf (within the meaning of section 2 of the Outer Continental Shelf Lands Act, as amended and supplemented; 43 U.S.C., sec. 1331).

67 Stat. 462.

“(3) **PROPERTY USED FOR LODGING.**—Property which is used predominantly to furnish lodging or in connection with the furnishing of lodging shall not be treated as section 38 property. The preceding sentence shall not apply to—

*Ante*, p. 962.

“(A) nonlodging commercial facilities which are available to persons not using the lodging facilities on the same basis as they are available to persons using the lodging facilities, and

“(B) property used by a hotel or motel in connection with the trade or business of furnishing lodging where the predominant portion of the accommodations is used by transients.

“(4) **PROPERTY USED BY CERTAIN TAX-EXEMPT ORGANIZATIONS.**—Property used by an organization (other than a cooperative described in section 521) which is exempt from the tax imposed by this chapter shall be treated as section 38 property only if such property is used predominantly in an unrelated trade or business the income of which is subject to tax under section 511.

26 USC 521.

“(5) **PROPERTY USED BY GOVERNMENTAL UNITS.**—Property used by the United States, any State or political subdivision thereof, any international organization, or any agency or instrumentality of any of the foregoing shall not be treated as section 38 property.

“(6) **LIVESTOCK.**—Livestock shall not be treated as section 38 property.

“(b) **NEW SECTION 38 PROPERTY.**—For purposes of this subpart, the term ‘new section 38 property’ means section 38 property—

“(1) the construction, reconstruction, or erection of which is completed by the taxpayer after December 31, 1961, or

“(2) acquired after December 31, 1961, if the original use of such property commences with the taxpayer and commences after such date.

*Ante*, p. 964.

In applying section 46(c) (1) (A) in the case of property described in paragraph (1), there shall be taken into account only that portion of the basis which is properly attributable to construction, reconstruction, or erection after December 31, 1961.

“(c) **USED SECTION 38 PROPERTY.**—

“(1) **IN GENERAL.**—For purposes of this subpart, the term ‘used section 38 property’ means section 38 property acquired by purchase after December 31, 1961, which is not new section 38 property. Property shall not be treated as ‘used section 38 property’ if, after its acquisition by the taxpayer, it is used by a person who used such property before such acquisition (or by a person who bears a relationship described in section 179(d) (2) (A) or (B) to a person who used such property before such acquisition).

26 USC 179.

“(2) **DOLLAR LIMITATION.**—

“(A) **IN GENERAL.**—The cost of used section 38 property taken into account under section 46(c) (1) (B) for any taxable year shall not exceed \$50,000. If such cost exceeds \$50,000, the taxpayer shall select (at such time and in such manner as the Secretary or his delegate shall by regulations prescribe) the

items to be taken into account, but only to the extent of an aggregate cost of \$50,000. Such a selection, once made, may be changed only in the manner, and to the extent, provided by such regulations.

“(B) **MARRIED INDIVIDUALS.**—In the case of a husband or wife who files a separate return, the limitation under subparagraph (A) shall be \$25,000 in lieu of \$50,000. This subparagraph shall not apply if the spouse of the taxpayer has no used section 38 property which may be taken into account as qualified investment for the taxable year of such spouse which ends within or with the taxpayer's taxable year.

*Ante*, p. 968.

“(C) **AFFILIATED GROUPS.**—In the case of an affiliated group, the \$50,000 amount specified under subparagraph (A) shall be reduced for each member of the group by apportioning \$50,000 among the members of such group in accordance with their respective amounts of used section 38 property which may be taken into account.

*Ante*, pp. 962, 968.

“(D) **PARTNERSHIPS.**—In the case of a partnership, the limitation contained in subparagraph (A) shall apply with respect to the partnership and with respect to each partner.

“(3) **DEFINITIONS.**—For purposes of this subsection—

“(A) **PURCHASE.**—The term ‘purchase’ has the meaning assigned to such term by section 179(d)(2).

26 USC 179.

“(B) **COST.**—The cost of used section 38 property does not include so much of the basis of such property as is determined by reference to the adjusted basis of other property held at any time by the person acquiring such property. If property is disposed of (other than by reason of its destruction or damage by fire, storm, shipwreck, or other casualty, or its theft) and used section 38 property similar or related in service or use is acquired as a replacement therefor in a transaction to which the preceding sentence does not apply, the cost of the used section 38 property acquired shall be its basis reduced by the adjusted basis of the property replaced. The cost of used section 38 property shall not be reduced with respect to the adjusted basis of any property disposed of if, by reason of section 47, such disposition involved an increase of tax or a reduction of the unused credit carrybacks or carryovers described in section 46(b).

*Ante*, p. 966.

*Ante*, p. 963.

“(C) **AFFILIATED GROUP.**—The term ‘affiliated group’ has the meaning assigned to such term by section 1504(a), except that—

26 USC 1504.

“(i) the phrase ‘more than 50 percent’ shall be substituted for the phrase ‘at least 80 percent’ each place it appears in section 1504(a), and

“(ii) all corporations shall be treated as includible corporations (without any exclusion under section 1504(b)).

“(d) **CERTAIN LEASED PROPERTY.**—A person (other than a person referred to in section 46(d)) who is a lessor of property may (at such time, in such manner, and subject to such conditions as are provided by regulations prescribed by the Secretary or his delegate) elect with respect to any new section 38 property to treat the lessee as having acquired such property for an amount equal to—

*Ante*, p. 965.

“(1) if such property was constructed by the lessor (or by a corporation which controls or is controlled by the lessor within the meaning of section 368(c)), the fair market value of such property, or

26 USC 368.

“(2) if paragraph (1) does not apply, the basis of such property to the lessor.

*Ante*, p. 968.

*Ante*, p. 964.

26 USC 162;  
*Post*, p. 973.

The election provided by the preceding sentence may be made only with respect to property which would be new section 38 property if acquired by the lessee. For purposes of the preceding sentence and section 46(c), the useful life of property in the hands of the lessee is the useful life of such property in the hands of the lessor. If a lessor makes the election provided by this subsection with respect to any property, the lessee shall be treated for all purposes of this subpart as having acquired such property. If a lessor makes the election provided by this subsection with respect to any property, then, under regulations prescribed by the Secretary or his delegate, subsection (g) shall not apply with respect to such property and the deductions otherwise allowable under section 162 to the lessee for amounts paid to the lessor under the lease shall be adjusted in a manner consistent with the provisions of subsection (g).

“(e) **SUBCHAPTER S CORPORATIONS.**—In the case of an electing small business corporation (as defined in section 1371)—

“(1) the qualified investment for each taxable year shall be apportioned pro rata among the persons who are shareholders of such corporation on the last day of such taxable year; and

“(2) any person to whom any investment has been apportioned under paragraph (1) shall be treated (for purposes of this subpart) as the taxpayer with respect to such investment, and such investment shall not (by reason of such apportionment) lose its character as an investment in new section 38 property or used section 38 property, as the case may be.

*Ante*, p. 968.

“(f) **ESTATES AND TRUSTS.**—In the case of an estate or trust—

“(1) the qualified investment for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each,

“(2) any beneficiary to whom any investment has been apportioned under paragraph (1) shall be treated (for purposes of this subpart) as the taxpayer with respect to such investment, and such investment shall not (by reason of such apportionment) lose its character as an investment in new section 38 property or used section 38 property, as the case may be, and

*Ante*, p. 963.

“(3) the \$25,000 amount specified under subparagraphs (A) and (B) of section 46(a)(2) applicable to such estate or trust shall be reduced to an amount which bears the same ratio to \$25,000 as the amount of the qualified investment allocated to the estate or trust under paragraph (1) bears to the entire amount of the qualified investment.

“(g) **ADJUSTMENTS TO BASIS OF PROPERTY.**—

“(1) **IN GENERAL.**—The basis of any section 38 property shall be reduced, for purposes of this subtitle other than this subpart, by an amount equal to 7 percent of the qualified investment as determined under section 46(c) with respect to such property.

*Ante*, p. 966.

“(2) **CERTAIN DISPOSITIONS, ETC.**—If the tax under this chapter is increased for any taxable year under paragraph (1) or (2) of section 47(a) or an adjustment in carrybacks or carryovers is made under paragraph (3) of such section, the basis of the property described in such paragraph (1) or (2), as the case may be (immediately before the event on account of which such paragraph (1), (2), or (3) applies), shall be increased by an amount equal to the portion of such increase and the portion of such adjustment attributable to such property.

“(h) **CROSS REFERENCE.**—

*Post*, p. 971.

“For application of this subpart to certain acquiring corporations, see section 381(c)(23).”

(c) **DEDUCTION FOR UNUSED CREDIT.**—Part VI of subchapter B of 26 USC 161-180. chapter 1 (relating to itemized deductions for individuals and corpo-

rations) is amended by adding at the end thereof the following new section:

**"SEC. 181. DEDUCTION FOR CERTAIN UNUSED INVESTMENT CREDIT.**

"If the amount of the credit determined under section 46(a)(1) for any taxable year exceeds the limitation provided by section 46(a)(2) for such taxable year and if the amount of such excess has not, after the application of section 46(b), been allowed to the taxpayer as a credit under section 38 for any taxable year, then an amount equal to the amount of such excess not so allowed as a credit shall be allowed to the taxpayer as a deduction for the first taxable year following the last taxable year in which such excess could under section 46(b) have been allowed as a credit. If a taxpayer dies or ceases to exist prior to the first taxable year following the last taxable year in which the excess described in the preceding sentence could under section 46(b) have been allowed as a credit, the amount described in the preceding sentence, or the proper portion thereof, shall, under regulations prescribed by the Secretary or his delegate, be allowed to the taxpayer as a deduction for the taxable year in which such death or cessation occurs."

*Ante*, p. 963.

*Ante*, p. 962.

(d) **CERTAIN CORPORATE ACQUISITIONS.**—Section 381(c) (relating to items taken into account in certain corporate acquisitions) is amended by adding at the end thereof the following new paragraph:

26 USC 381.

"(23) **CREDIT UNDER SECTION 38 FOR INVESTMENT IN CERTAIN DEPRECIABLE PROPERTY.**—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 38, and under such regulations as may be prescribed by the Secretary or his delegate) the items required to be taken into account for purposes of section 38 in respect of the distributor or transferor corporation."

(e) **STATUTES OF LIMITATIONS AND INTEREST RELATING TO INVESTMENT CREDIT CARRYBACKS.**—

(1) **ASSESSMENT AND COLLECTION.**—Section 6501 (relating to limitations on assessment and collection) is amended by redesignating subsection (j) as subsection (k), and inserting after subsection (i) the following new subsection:

26 USC 6501.

"(j) **INVESTMENT CREDIT CARRYBACKS.**—In the case of a deficiency attributable to the application to the taxpayer of an investment credit carryback, such deficiency may be assessed at any time before the expiration of the period within which a deficiency for the taxable year of the unused investment credit which results in such carryback may be assessed."

(2) **CREDIT OR REFUND.**—Subsection (d) of section 6511 (relating to limitations on credit or refund) is amended by adding after paragraph (3) thereof the following new paragraph:

26 USC 6511.

"(4) **SPECIAL PERIOD OF LIMITATION WITH RESPECT TO INVESTMENT CREDIT CARRYBACKS.**—

"(A) **PERIOD OF LIMITATION.**—If the claim for credit or refund relates to an overpayment attributable to an investment credit carryback, in lieu of the 3-year period of limitation prescribed in subsection (a), the period shall be that period which ends with the expiration of the 15th day of the 40th month (or 39th month, in the case of a corporation) following the end of the taxable year of the unused investment credit which results in such carryback, or the period prescribed in subsection (c) in respect of such taxable year, whichever expires later. In the case of such a claim, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsection (b)(2) or (c), whichever is applicable, to the extent of the amount of the overpayment attributable to such carryback."



26 USC 7122.

“(B) APPLICABLE RULES.—If the allowance of a credit or refund of an overpayment of tax attributable to an investment credit carryback is otherwise prevented by the operation of any law or rule of law other than section 7122, relating to compromises, such credit or refund may be allowed or made, if claim therefor is filed within the period provided in subparagraph (A) of this paragraph. In the case of any such claim for credit or refund, the determination by any court, including the Tax Court, in any proceeding in which the decision of the court has become final, shall not be conclusive with respect to the investment credit, and the effect of such credit, to the extent that such credit is affected by a carryback which was not in issue in such proceeding.”

(3) INTEREST ON UNDERPAYMENTS.—Section 6601(e) (relating to interest on underpayment, nonpayment, or extensions of time for payment, of tax) is amended to read as follows:

“(e) INCOME TAX REDUCED BY CARRYBACK.—

“(1) NET OPERATING LOSS CARRYBACK.—If the amount of any tax imposed by subtitle A is reduced by reason of a carryback of a net operating loss, such reduction in tax shall not affect the computation of interest under this section for the period ending with the last day of the taxable year in which the net operating loss arises.

“(2) INVESTMENT CREDIT CARRYBACK.—If the credit allowed by section 38 for any taxable year is increased by reason of an investment credit carryback, such increase shall not affect the computation of interest under this section for the period ending with the last day of the taxable year in which the investment credit carryback arises.”

(4) INTEREST ON OVERPAYMENTS.—Section 6611(f) (relating to interest on overpayments) is amended to read as follows:

“(f) REFUND OF INCOME TAX CAUSED BY CARRYBACK.—

“(1) NET OPERATING LOSS CARRYBACK.—For purposes of subsection (a), if any overpayment of tax imposed by subtitle A results from a carryback of a net operating loss, such overpayment shall be deemed not to have been made prior to the close of the taxable year in which such net operating loss arises.

“(2) INVESTMENT CREDIT CARRYBACK.—For purposes of subsection (a), if any overpayment of tax imposed by subtitle A results from an investment credit carryback, such overpayment shall be deemed not to have been made prior to the close of the taxable year in which such investment credit carryback arises.”

(f) TECHNICAL AMENDMENT.—Section 1016(a) (relating to adjustments to basis) is amended—

(1) by striking out the period at the end of paragraph (18) and inserting in lieu thereof a semicolon; and

(2) by adding after paragraph (18) the following new paragraph:

“(19) to the extent provided in section 48(g) in the case of property which is or has been section 38 property (as defined in section 48(a));”.

(g) CLERICAL AMENDMENTS.—

(1) Part IV of subchapter A of chapter 1 is amended by inserting after the heading and before the table of sections the following:

“Subpart A. Credits allowable.

“Subpart B. Rules for computing credit for investment in certain depreciable property.

Ante, p. 970.

26 USC 31-38.

**"Subpart A—Credits Allowable"**

(2) The table of sections for part IV of subchapter A of chapter 1 is amended by striking out

*Ante*, p. 962.

"Sec. 38. Overpayments of tax."

and inserting in lieu thereof

"Sec. 38. Investment in certain depreciable property.

"Sec. 39. Overpayments of tax."

(3) The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following:

*Ante*, p. 971.

"Sec. 181. Deduction for certain unused investment credit."

(h) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to taxable years ending after December 31, 1961.

**SEC. 3. APPEARANCES, ETC., WITH RESPECT TO LEGISLATION.**

26 USC 162.

(a) **IN GENERAL.**—Section 162 (relating to trade or business expenses) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) **APPEARANCES, ETC., WITH RESPECT TO LEGISLATION.**—

"(1) **IN GENERAL.**—The deduction allowed by subsection (a) shall include all the ordinary and necessary expenses (including, but not limited to, traveling expenses described in subsection (a)(2) and the cost of preparing testimony) paid or incurred during the taxable year in carrying on any trade or business—

"(A) in direct connection with appearances before, submission of statements to, or sending communications to, the committees, or individual members, of Congress or of any legislative body of a State, a possession of the United States, or a political subdivision of any of the foregoing with respect to legislation or proposed legislation of direct interest to the taxpayer, or

"(B) in direct connection with communication of information between the taxpayer and an organization of which he is a member with respect to legislation or proposed legislation of direct interest to the taxpayer and to such organization, and that portion of the dues so paid or incurred with respect to any organization of which the taxpayer is a member which is attributable to the expenses of the activities described in subparagraphs (A) and (B) carried on by such organization.

"(2) **LIMITATION.**—The provisions of paragraph (1) shall not be construed as allowing the deduction of any amount paid or incurred (whether by way of contribution, gift, or otherwise)—

"(A) for participation in, or intervention in, any political campaign on behalf of any candidate for public office, or

"(B) in connection with any attempt to influence the general public, or segments thereof, with respect to legislative matters, elections, or referendums."

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 1962.

**SEC. 4. DISALLOWANCE OF CERTAIN ENTERTAINMENT, ETC., EXPENSES.**

**(a) DENIAL OF DEDUCTION.—**

26 USC 261-273.

(1) Part IX of subchapter B of chapter 1 (relating to items not deductible in computing taxable income) is amended by adding at the end thereof the following new section:

**"SEC. 274. DISALLOWANCE OF CERTAIN ENTERTAINMENT, ETC., EXPENSES.**

**"(a) ENTERTAINMENT, AMUSEMENT, OR RECREATION.—**

**"(1) IN GENERAL.—**No deduction otherwise allowable under this chapter shall be allowed for any item—

**"(A) ACTIVITY.—**With respect to an activity which is of a type generally considered to constitute entertainment, amusement, or recreation, unless the taxpayer establishes that the item was directly related to, or, in the case of an item directly preceding or following a substantial and bona fide business discussion (including business meetings at a convention or otherwise), that such item was associated with, the active conduct of the taxpayer's trade or business, or

**"(B) FACILITY.—**With respect to a facility used in connection with an activity referred to in subparagraph (A), unless the taxpayer establishes that the facility was used primarily for the furtherance of the taxpayer's trade or business and that the item was directly related to the active conduct of such trade or business,

and such deduction shall in no event exceed the portion of such item directly related to, or, in the case of an item described in subparagraph (A) directly preceding or following a substantial and bona fide business discussion (including business meetings at a convention or otherwise), the portion of such item associated with, the active conduct of the taxpayer's trade or business.

**"(2) SPECIAL RULES.—**For purposes of applying paragraph (1)—

**"(A)** Dues or fees to any social, athletic, or sporting club or organization shall be treated as items with respect to facilities.

26 USC 212.

**"(B)** An activity described in section 212 shall be treated as a trade or business.

**"(b) GIFTS.—**

**"(1) LIMITATION.—**No deduction shall be allowed under section 162 or section 212 for any expense for gifts made directly or indirectly to any individual to the extent that such expense, when added to prior expenses of the taxpayer for gifts made to such individual during the same taxable year, exceeds \$25. For purposes of this section, the term 'gift' means any item excludable from gross income of the recipient under section 102 which is not excludable from his gross income under any other provision of this chapter, but such term does not include—

**"(A)** an item having a cost to the taxpayer not in excess of \$4.00 on which the name of the taxpayer is clearly and permanently imprinted and which is one of a number of identical items distributed generally by the taxpayer,

**"(B)** a sign, display rack, or other promotional material to be used on the business premises of the recipient, or

**"(C)** an item of tangible personal property having a cost to the taxpayer not in excess of \$100 which is awarded to an employee by reason of length of service or for safety achievement.

26 USC 162;  
Ante, p. 973.

“(2) SPECIAL RULES.—

“(A) In the case of a gift by a partnership, the limitation contained in paragraph (1) shall apply to the partnership as well as to each member thereof.

“(B) For purposes of paragraph (1), a husband and wife shall be treated as one taxpayer.

“(c) TRAVELING.—In the case of any individual who is traveling away from home in pursuit of a trade or business or in pursuit of an activity described in section 212, no deduction shall be allowed under section 162 or section 212 for that portion of the expenses of such travel otherwise allowable under such section which, under regulations prescribed by the Secretary or his delegate, is not allocable to such trade or business or to such activity. This subsection shall not apply to the expenses of any travel away from home which does not exceed one week or where the portion of the time away from home which is not attributable to the pursuit of the taxpayer's trade or business or an activity described in section 212 is less than 25 percent of the total time away from home on such travel.

26 USC 212.  
26 USC 162;  
*Ante*, p. 973.

“(d) SUBSTANTIATION REQUIRED.—No deduction shall be allowed—

“(1) under section 162 or 212 for any traveling expense (including meals and lodging while away from home),

“(2) for any item with respect to an activity which is of a type generally considered to constitute entertainment, amusement, or recreation, or with respect to a facility used in connection with such an activity, or

“(3) for any expense for gifts,

unless the taxpayer substantiates by adequate records or by sufficient evidence corroborating his own statement (A) the amount of such expense or other item, (B) the time and place of the travel, entertainment, amusement, recreation, or use of the facility, or the date and description of the gift, (C) the business purpose of the expense or other item, and (D) the business relationship to the taxpayer of persons entertained, using the facility, or receiving the gift. The Secretary or his delegate may by regulations provide that some or all of the requirements of the preceding sentence shall not apply in the case of an expense which does not exceed an amount prescribed pursuant to such regulations.

“(e) SPECIFIC EXCEPTIONS TO APPLICATION OF SUBSECTION (a).—Subsection (a) shall not apply to—

“(1) BUSINESS MEALS.—Expenses for food and beverages furnished to any individual under circumstances which (taking into account the surroundings in which furnished, the taxpayer's trade, business, or income-producing activity and the relationship to such trade, business, or activity of the persons to whom the food and beverages are furnished) are of a type generally considered to be conducive to a business discussion.

“(2) FOOD AND BEVERAGES FOR EMPLOYEES.—Expenses for food and beverages (and facilities used in connection therewith) furnished on the business premises of the taxpayer primarily for his employees.

“(3) EXPENSES TREATED AS COMPENSATION.—Expenses for goods, services, and facilities, to the extent that the expenses are treated by the taxpayer, with respect to the recipient of the entertainment, amusement, or recreation, as compensation to an employee on the taxpayer's return of tax under this chapter and as wages to such employee for purposes of chapter 24 (relating to withholding of income tax at source on wages).

“(4) REIMBURSED EXPENSES.—Expenses paid or incurred by the taxpayer, in connection with the performance by him of serv-

ices for another person (whether or not such other person is his employer), under a reimbursement or other expense allowance arrangement with such other person, but this paragraph shall apply—

“(A) where the services are performed for an employer, only if the employer has not treated such expenses in the manner provided in paragraph (3), or

“(B) where the services are performed for a person other than an employer, only if the taxpayer accounts (to the extent provided by subsection (d)) to such person.

“(5) RECREATIONAL, ETC., EXPENSES FOR EMPLOYEES.—Expenses for recreational, social, or similar activities (including facilities therefor) primarily for the benefit of employees (other than employees who are officers, shareholders or other owners, or highly compensated employees). For purposes of this paragraph, an individual owning less than a 10-percent interest in the taxpayer's trade or business shall not be considered a shareholder or other owner, and for such purposes an individual shall be treated as owning any interest owned by a member of his family (within the meaning of section 267(c)(4)).

26 USC 267.

“(6) EMPLOYEE, STOCKHOLDER, ETC., BUSINESS MEETINGS.—Expenses incurred by a taxpayer which are directly related to business meetings of his employees, stockholders, agents, or directors.

“(7) MEETINGS OF BUSINESS LEAGUES, ETC.—Expenses directly related and necessary to attendance at a business meeting or convention of any organization described in section 501(c)(6) (relating to business leagues, chambers of commerce, real estate boards, and boards of trade) and exempt from taxation under section 501(a).

26 USC 501.

“(8) ITEMS AVAILABLE TO PUBLIC.—Expenses for goods, services, and facilities made available by the taxpayer to the general public.

“(9) ENTERTAINMENT SOLD TO CUSTOMERS.—Expenses for goods or services (including the use of facilities) which are sold by the taxpayer in a bona fide transaction for an adequate and full consideration in money or money's worth.

For purposes of this subsection, any item referred to in subsection (a) shall be treated as an expense.

“(f) INTEREST, TAXES, CASUALTY LOSSES, ETC.—This section shall not apply to any deduction allowable to the taxpayer without regard to its connection with his trade or business (or with his income-producing activity). In the case of a taxpayer which is not an individual, the preceding sentence shall be applied as if it were an individual.

“(g) TREATMENT OF ENTERTAINMENT, ETC., TYPE FACILITY.—For purposes of this chapter, if deductions are disallowed under subsection (a) with respect to any portion of a facility, such portion shall be treated as an asset which is used for personal, living, and family purposes (and not as an asset used in the trade or business).

“(h) REGULATORY AUTHORITY.—The Secretary or his delegate shall prescribe such regulations as he may deem necessary to carry out the purposes of this section, including regulations prescribing whether subsection (a) or subsection (b) applies in cases where both such subsections would otherwise apply.”

*Ante*, p. 974.

(2) The table of sections for such part IX is amended by adding at the end thereof the following:

“Sec. 274. Disallowance of certain entertainment, etc., expenses.”

26 USC 162.

(b) TRAVELING EXPENSES.—Section 162(a)(2) (relating to traveling expenses) is amended by striking out “(including the entire

amount expended for meals and lodging)” and inserting in lieu thereof “(including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to taxable years ending after December 31, 1962, but only in respect of periods after such date.

**SEC. 5. AMOUNT OF DISTRIBUTION WHERE CERTAIN FOREIGN CORPORATIONS DISTRIBUTE PROPERTY IN KIND.**

(a) **AMOUNT DISTRIBUTED.**—Section 301(b)(1) (relating to amount distributed to corporate distributees) is amended by adding at the end thereof the following new subparagraph: 26 USC 301;  
Post, p. 1035.

“(C) **CERTAIN CORPORATE DISTRIBUTEES OF FOREIGN CORPORATION.**—Notwithstanding subparagraph (B), if the shareholder is a corporation and the distributing corporation is a foreign corporation, the amount taken into account with respect to property (other than money) shall be the fair market value of such property; except that if any deduction is allowable under section 245 with respect to such distribution, then the amount taken into account shall be the sum (determined under regulations prescribed by the Secretary or his delegate) of—

26 USC 245.

“(i) the proportion of the adjusted basis of such property (or, if lower, its fair market value) properly attributable to gross income from sources within the United States, and

“(ii) the proportion of the fair market value of such property properly attributable to gross income from sources without the United States.”

(b) **BASIS.**—Section 301(d) (relating to basis of property) is amended by adding at the end thereof the following new paragraph: 26 USC 301;  
Post, p. 1035.

“(3) **CERTAIN CORPORATE DISTRIBUTEES OF FOREIGN CORPORATION.**—In the case of property described in subparagraph (C) of subsection (b)(1), the basis shall be determined by substituting the amount determined under such subparagraph (C) for the amount described in paragraph (2) of this subsection.”

(c) **DIVIDENDS RECEIVED FROM CERTAIN FOREIGN CORPORATIONS.**—

(1) Section 245 (relating to dividends received from certain foreign corporations) is amended by adding at the end thereof the following new subsection:

“(b) **PROPERTY DISTRIBUTIONS.**—For purposes of subsection (a), the amount of any distribution of property other than money shall be the amount determined by applying section 301(b)(1)(B).”

(2) Section 245 is amended by striking out “In the case of” and inserting in lieu thereof “(a) **GENERAL RULE.**—In the case of”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions made after December 31, 1962.

**SEC. 6. MUTUAL SAVINGS BANKS, ETC.**

(a) **RESERVES FOR LOSSES ON LOANS.**—Section 593 is amended to read as follows:

**“SEC. 593. RESERVES FOR LOSSES ON LOANS.**

“(a) **ORGANIZATIONS TO WHICH SECTION APPLIES.**—This section shall apply to any mutual savings bank not having capital stock represented by shares, domestic building and loan association, or cooperative bank without capital stock organized and operated for mutual purposes and without profit.

26 USC 166.

“(b) ADDITION TO RESERVES FOR BAD DEBTS.—

“(1) IN GENERAL.—For purposes of section 166(c), the reasonable addition for the taxable year to the reserve for bad debts of any taxpayer described in subsection (a) shall be an amount equal to the sum of—

“(A) the amount determined under section 166(c) to be a reasonable addition to the reserve for losses on nonqualifying loans, plus

“(B) the amount determined by the taxpayer to be a reasonable addition to the reserve for losses on qualifying real property loans, but such amount shall not exceed the amount determined under paragraph (2), (3), or (4), whichever amount is the largest, but the amount determined under this subparagraph shall in no case be greater than the larger of—

“(i) the amount determined under paragraph (4), or

“(ii) the amount which, when added to the amount determined under subparagraph (A), equals the amount by which 12 percent of the total deposits or withdrawable accounts of depositors of the taxpayer at the close of such year exceeds the sum of its surplus, undivided profits, and reserves at the beginning of such year (taking into account any portion thereof attributable to the period before the first taxable year beginning after December 31, 1951).

“(2) PERCENTAGE OF TAXABLE INCOME METHOD.—The amount determined under this paragraph for the taxable year shall be the excess of—

“(A) an amount equal to 60 percent of the taxable income for such year, over

“(B) the amount referred to in paragraph (1)(A) for such year,

but the amount determined under this paragraph shall not exceed the amount necessary to increase the balance (as of the close of the taxable year) of the reserve for losses on qualifying real property loans to 6 percent of such loans outstanding at such time. For purposes of this paragraph, taxable income shall be computed (i) by excluding from gross income any amount included therein by reason of subsection (f), and (ii) without regard to any deduction allowable for any addition to the reserve for bad debts.

“(3) PERCENTAGE OF REAL PROPERTY LOANS METHOD.—The amount determined under this paragraph for the taxable year shall be an amount equal to the amount necessary to increase the balance (as of the close of the taxable year) of the reserve for losses on qualifying real property loans to an amount equal to—

“(A) 3 percent of such loans outstanding at such time, plus

“(B) in the case of a taxpayer which is a new company and which does not have capital stock with respect to which distributions of property (as defined in section 317(a)) are not allowable as a deduction under section 591, an amount equal to—

“(i) 2 percent of so much of the amount of such loans outstanding at such time as does not exceed \$4,000,000, reduced (but not below zero) by

“(ii) the amount, if any, of the balance (as of the close of such taxable year) of the taxpayer's supplemental reserve for losses on loans.

26 USC 317.

26 USC 591;

Post, p. 984.

For purposes of subparagraph (B), a taxpayer is a new company for any taxable year only if such taxable year begins not more than 10 years after the first day on which it (or any predecessor) was authorized to do business as an organization described in subsection (a).

“(4) **EXPERIENCE METHOD.**—The amount determined under this paragraph for the taxable year shall be an amount equal to the amount determined under section 166(c) (without regard to this subsection) to be a reasonable addition to the reserve for losses on qualifying real property loans.

26 USC 166.

“(5) **LIMITATION IN CASE OF CERTAIN DOMESTIC BUILDING AND LOAN ASSOCIATIONS.**—If the percentage of the assets of a domestic building and loan association which are not assets described in section 7701(a)(19)(D)(ii) exceeds 36 percent for the taxable year (as determined for purposes of section 7701(a)(19) for such year), the amount determined under paragraph (2), and the amount determined under paragraph (3), shall in each case be the amount (determined without regard to this paragraph but with regard to the limits contained in paragraphs (2), (3), and (1)(B)) reduced by the amount determined under the following table:

Post, p. 983.

Post, p. 982.

| If the percentage exceeds— | but does not exceed— | the reduction shall be the following proportion of the amount so determined without regard to this paragraph— |
|----------------------------|----------------------|---|
| 36 percent.....            | 37 percent.....      | 1/12  |
| 37 percent.....            | 38 percent.....      | 1/6   |
| 38 percent.....            | 39 percent.....      | 1/4   |
| 39 percent.....            | 40 percent.....      | 1/3   |
| 40 percent.....            | 41 percent.....      | 5/12  |

“(c) **TREATMENT OF RESERVES FOR BAD DEBTS.**—

“(1) **ESTABLISHMENT OF RESERVES.**—Each taxpayer described in subsection (a) which uses the reserve method of accounting for bad debts shall establish and maintain a reserve for losses on qualifying real property loans, a reserve for losses on nonqualifying loans, and a supplemental reserve for losses on loans. For purposes of this title, such reserves shall be treated as reserves for bad debts, but no deduction shall be allowed for any addition to the supplemental reserve for losses on loans.

“(2) **ALLOCATION OF PRE-1963 RESERVES.**—For purposes of this section, the pre-1963 reserves shall, as of the close of December 31, 1962, be allocated to, and constitute the opening balance of—

“(A) the reserve for losses on nonqualifying loans,

“(B) the reserve for losses on qualifying real property loans, and

“(C) the supplemental reserve for losses on loans.

“(3) **METHOD OF ALLOCATION.**—The allocation provided by paragraph (2) shall be made—

“(A) first, to the reserve described in paragraph (2)(A), to the extent such reserve is not increased above the amount which would be a reasonable addition under section 166(c) for a period in which the nonqualifying loans increased from zero to the amount thereof outstanding at the close of December 31, 1962;

“(B) second, to the reserve described in paragraph (2)(B), to the extent such reserve is not increased above the amount which would be determined under paragraph (3)(A) or (4) of subsection (b) (whichever such amount is the larger) for a period in which the qualifying real property loans increased



from zero to the amount thereof outstanding at the close of December 31, 1962; and

“(C) then to the supplemental reserve for losses on loans.

“(4) **PRE-1963 RESERVES DEFINED.**—For purposes of this subsection, the term ‘pre-1963 reserves’ means the net amount, determined as of the close of December 31, 1962 (after applying subsection (d)(1)), accumulated in the reserve for bad debts pursuant to section 166(c) (or the corresponding provisions of prior revenue laws) for taxable years beginning after December 31, 1951.

“(5) **CERTAIN PRE-1952 SURPLUS.**—If after the application of paragraph (3), the opening balance of the reserve described in paragraph (2)(B) is less than the amount described in paragraph (3)(B), then, for purposes of this subsection, the term ‘pre-1963 reserves’ includes so much of the surplus, undivided profits, and bad debt reserves (determined as of December 31, 1962) attributable to the period before the first taxable year beginning after December 31, 1951, as does not exceed the amount by which such opening balance is less than the amount described in paragraph (3)(B). For purposes of the preceding sentence, the surplus, undivided profits, and bad debt reserves attributable to the period before the first taxable year beginning after December 31, 1951, shall be reduced by the amount thereof which is attributable to interest which would have been excludable from gross income under section 22(b)(4) of the Internal Revenue Code of 1939 (relating to interest on governmental obligations) or the corresponding provisions of prior laws. Notwithstanding the second sentence of paragraph (1), any amount which, by reason of the application of the first sentence of this paragraph, is allocated to the reserve described in paragraph (2)(B) shall not be treated as a reserve for bad debts for any purpose other than determining the amount referred to in subsection (b)(1)(B), and for such purpose such amount shall be treated as remaining in such reserve.

“(6) **CHARGING OF BAD DEBTS TO RESERVES.**—Any debt becoming worthless or partially worthless in respect of a qualifying real property loan shall be charged to the reserve for losses on such loans, and any debt becoming worthless or partially worthless in respect of a nonqualifying loan shall be charged to the reserve for losses on nonqualifying loans; except that any such debt may, at the election of the taxpayer, be charged in whole or in part to the supplemental reserve for losses on loans.

“(d) **TAXABLE YEARS BEGINNING IN 1962 AND ENDING IN 1963.**—In the case of a taxable year beginning before January 1, 1963, and ending after December 31, 1962, of a taxpayer described in subsection (a) which uses the reserve method of accounting for bad debts, the taxable income shall be the sum of—

“(1) that portion of the taxable income allocable to the part of the taxable year occurring before January 1, 1963, reduced by the amount of the deduction for an addition to a reserve for bad debts which would be allowable under section 166(c) (without regard to the amendments made by section 6 of the Revenue Act of 1962) if such part year constituted a taxable year, plus

“(2) that portion of the taxable income allocable to the part of the taxable year occurring after December 31, 1962, reduced by the amount of the deduction for an addition to a reserve for bad debts which would be allowed under section 166(c) (taking into account the amendments made by section 6 of the Revenue Act of 1962) if such part year constituted a taxable year.

26 USC 166.

53 Stat. 10.

For purposes of the preceding sentence, the taxable income shall be determined without regard to any deduction under section 166(c), and the portion thereof allocable to each part year shall be determined on the basis of the ratio which the number of days in such part year bears to the number of days in the entire taxable year.

26 USC 166.

“(e) **LOANS DEFINED.**—For purposes of this section—

“(1) **QUALIFYING REAL PROPERTY LOANS.**—The term ‘qualifying real property loan’ means any loan secured by an interest in improved real property or secured by an interest in real property which is to be improved out of the proceeds of the loan, but such term does not include—

“(A) any loan evidenced by a security (as defined in section 165(g)(2)(C));

26 USC 165.

“(B) any loan, whether or not evidenced by a security (as defined in section 165(g)(2)(C)), the primary obligor on which is—

“(i) a government or political subdivision or instrumentality thereof;

“(ii) a bank (as defined in section 581); or

“(iii) another member of the same affiliated group;

“(C) any loan, to the extent secured by a deposit in or share of the taxpayer; or

“(D) any loan which, within a 60-day period beginning in one taxable year of the creditor and ending in its next taxable year, is made or acquired and then repaid or disposed of, unless the transactions by which such loan was made or acquired and then repaid or disposed of are established to be for bona fide business purposes.

For purposes of subparagraph (B) (iii), the term ‘affiliated group’ has the meaning assigned to such term by section 1504(a); except that (i) the phrase ‘more than 50 percent’ shall be substituted for the phrase ‘at least 80 percent’ each place it appears in section 1504(a), and (ii) all corporations shall be treated as includible corporations (without any exclusion under section 1504(b)).

26 USC 1504.

“(2) **NONQUALIFYING LOANS.**—The term ‘nonqualifying loan’ means any loan which is not a qualifying real property loan.

“(3) **LOAN.**—The term ‘loan’ means debt, as the term ‘debt’ is used in section 166.

“(f) **DISTRIBUTIONS TO SHAREHOLDERS.**—

“(1) **IN GENERAL.**—For purposes of this chapter, any distribution of property (as defined in section 317(a)) by a domestic building and loan association to a shareholder with respect to its stock, if such distribution is not allowable as a deduction under section 591, shall be treated as made—

26 USC 317.

“(A) first out of its earnings and profits accumulated in taxable years beginning after December 31, 1951, to the extent thereof,

“(B) then out of the reserve for losses on qualifying real property loans, to the extent additions to such reserve exceed the additions which would have been allowed under subsection (b)(4),

“(C) then out of the supplemental reserve for losses on loans, to the extent thereof,

“(D) then out of such other accounts as may be proper.

This paragraph shall apply in the case of any distribution in redemption of stock or in partial or complete liquidation of the association, except that any such distribution shall be treated as made first out of the amount referred to in subparagraph (B), second out of the amount referred to in subparagraph (C), third

out of the amount referred to in subparagraph (A), and then out of such other accounts as may be proper.

“(2) AMOUNTS CHARGED TO RESERVE ACCOUNTS AND INCLUDED IN GROSS INCOME.—If any distribution is treated under paragraph (1) as having been made out of the reserves described in subparagraphs (B) and (C) of such paragraph, the amount charged against such reserve shall be the amount which, when reduced by the amount of tax imposed under this chapter and attributable to the inclusion of such amount in gross income, is equal to the amount of such distribution; and the amount so charged against such reserve shall be included in gross income of the taxpayer.

“(3) SPECIAL RULES.—

“(A) For purposes of paragraph (1)(B), additions to the reserve for losses on qualifying real property loans for the taxable year in which the distribution occurs shall be taken into account.

“(B) For purposes of computing under this section the amount of a reasonable addition to the reserve for losses on qualifying real property loans for any taxable year, any amount charged during any year to such reserve pursuant to the provisions of paragraph (2) shall not be taken into account.”

26 USC 591-594. (b) FORECLOSURE ON PROPERTY SECURING LOANS.—Part II of subchapter H of chapter 1 (relating to mutual savings banks, etc.) is amended by adding at the end thereof the following new section:

**“SEC. 595. FORECLOSURE ON PROPERTY SECURING LOANS.**

Ante, p. 977. “(a) NONRECOGNITION OF GAIN OR LOSS AS A RESULT OF FORECLOSURE.—In the case of a creditor which is an organization described in section 593(a), no gain or loss shall be recognized, and no debt shall be considered as becoming worthless or partially worthless, as the result of such organization having bid in at foreclosure, or having otherwise reduced to ownership or possession by agreement or process of law, any property which was security for the payment of any indebtedness.

26 USC 166, 221. “(b) CHARACTER OF PROPERTY.—For purposes of sections 166 and 1221, any property acquired in a transaction with respect to which gain or loss to an organization was not recognized by reason of subsection (a) shall be considered as property having the same characteristics as the indebtedness for which such property was security. Any amount realized by such organization with respect to such property shall be treated for purposes of this chapter as a payment on account of such indebtedness, and any loss with respect thereto shall be treated as a bad debt to which the provisions of section 166 (relating to allowance of a deduction for bad debts) apply.

“(c) BASIS.—The basis of any property to which subsection (a) applies shall be the basis of the indebtedness for which such property was security (determined as of the date of the acquisition of such property), properly increased for costs of acquisition.

“(d) REGULATORY AUTHORITY.—The Secretary or his delegate shall prescribe such regulations as he may deem necessary to carry out the purposes of this section.”

(c) DEFINITION OF DOMESTIC BUILDING AND LOAN ASSOCIATION.—Paragraph (19) of section 7701(a) (definition of domestic building and loan association) is amended to read as follows:

“(19) DOMESTIC BUILDING AND LOAN ASSOCIATION.—The term ‘domestic building and loan association’ means a domestic building and loan association, a domestic savings and loan association, and a Federal savings and loan association—

“(A) which either (i) is an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)), or (ii) is subject by law to supervision and examination by State or Federal authority having supervision over such associations;

48 Stat. 1255.

“(B) substantially all of the business of which consists of acquiring the savings of the public and investing in loans described in subparagraph (C);

“(C) at least 90 percent of the amount of the total assets of which (as of the close of the taxable year) consists of (i) cash, (ii) obligations of the United States or of a State or political subdivision thereof, stock or obligations of a corporation which is an instrumentality of the United States or of a State or political subdivision thereof, and certificates of deposit in, or obligations of, a corporation organized under a State law which specifically authorizes such corporation to insure the deposits or share accounts of member associations, (iii) loans secured by an interest in real property and loans made for the improvement of real property, (iv) loans secured by a deposit or share of a member, (v) property acquired through the liquidation of defaulted loans described in clause (iii), and (vi) property used by the association in the conduct of the business described in subparagraph (B);

“(D) of the assets of which taken into account under subparagraph (C) as assets constituting the 90 percent of total assets—

“(i) at least 80 percent of the amount of such assets consists of assets described in clauses (i), (ii), (iv), and (vi) of such subparagraph and of loans secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property or real property used primarily for church purposes, loans made for the improvement of residential real property or real property used primarily for church purposes, or property acquired through the liquidation of defaulted loans described in this clause; and

“(ii) at least 60 percent of the amount of such assets consists of assets described in clauses (i), (ii), (iv), and (vi) of such subparagraph and of loans secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property containing 4 or fewer family units or real property used primarily for church purposes, loans made for the improvement of residential real property containing 4 or fewer family units or real property used primarily for church purposes, or property acquired through the liquidation of defaulted loans described in this clause;

“(E) not more than 18 percent of the amount of the total assets of which (as of the close of the taxable year) consists of assets other than those described in clause (i) of subparagraph (D), and not more than 36 percent of the amount of the total assets of which (as of the close of the taxable year) consists of assets other than those described in clause (ii) of subparagraph (D); and

“(F) except for property described in subparagraph (C), not more than 3 percent of the assets of which consists of stock of any corporation.

The term 'domestic building and loan association' also includes any association which, for the taxable year, would satisfy the requirements of the first sentence of this paragraph if '41 percent' were substituted for '36 percent' in subparagraph (E). Except in the case of the taxpayer's first taxable year beginning after the date of the enactment of the Revenue Act of 1962, the second sentence of this paragraph shall not apply to an association for the taxable year unless such association (i) was a domestic building and loan association within the meaning of the first sentence of this paragraph for the first taxable year preceding the taxable year, or (ii) was a domestic building and loan association solely by reason of the second sentence of this paragraph for the first taxable year preceding the taxable year (but not for the second preceding taxable year). At the election of the taxpayer, the percentages specified in this paragraph shall be applied on the basis of the average assets outstanding during the taxable year, in lieu of the close of the taxable year, computed under regulations prescribed by the Secretary or his delegate."

(d) CLERICAL AMENDMENTS.—The table of sections for part II of 26 USC 591-594. subchapter H of chapter 1 is amended—

(1) by striking out the third item and inserting in lieu thereof the following:

"Sec. 593. Reserves for losses on loans."

and

(2) by adding at the end thereof the following:

"Sec. 595. Foreclosure on property securing loans."

(e) REPEAL OF EXEMPTION FROM CERTAIN TAXES.—

48 Stat. 133;  
65 Stat. 490.

(1) AMENDMENT TO HOME OWNERS' LOAN ACT OF 1933.—Section 5(h) of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. sec. 1464(h)), is amended to read as follows:

"(h) No State, county, municipal, or local taxing authority shall impose any tax on such associations or their franchise, capital, reserves, surplus, loans, or income greater than that imposed by such authority on other similar local mutual or cooperative thrift and home financing institutions."

26 USC 4382.

(2) CERTAIN DOCUMENTARY STAMP TAXES.—Section 4382(a) (2) (relating to exemptions from documentary stamp taxes) is amended to read as follows:

"(2) DOMESTIC BUILDING AND LOAN ASSOCIATIONS AND MUTUAL DITCH OR IRRIGATION COMPANIES.—Shares or certificates of stock issued by domestic building and loan associations and cooperative banks, to the extent such shares or certificates represent deposits or withdrawable accounts; or shares or certificates of stock and certificates of indebtedness issued by mutual ditch or irrigation companies."

(f) DEDUCTION FOR DIVIDENDS OR INTEREST PAID ON DEPOSITS.—Section 591 (relating to deduction for dividends paid on deposits) is amended—

(1) by striking out "and domestic building and loan associations" and inserting in lieu thereof the following: "domestic building and loan associations, and other savings institutions chartered and supervised as savings and loan or similar associations under Federal or State law"; and

(2) by inserting after "dividends" the following: "or interest".

(g) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall apply to taxable years ending after December 31, 1962, except that section 593(f) of the Internal Revenue Code of 1954 shall apply to dis-

tributions after December 31, 1962, in taxable years ending after such date.

(2) The amendment made by subsection (b) shall apply to transactions described in section 595(a) of the Internal Revenue Code of 1954 occurring after December 31, 1962, in taxable years ending after such date.

*Ante*, p. 982.

(3) The amendment made by subsection (c) shall apply to taxable years beginning after the date of the enactment of this Act.

(4) Subsection (e) of this section shall become effective on January 1, 1963, except that—

(A) in the case of the tax imposed by section 4251 of the Internal Revenue Code of 1954, such subsection shall apply only with respect to amounts paid pursuant to bills rendered after December 31, 1962; and

26 USC 4251.

(B) in the case of the tax imposed by section 4261 of such Code, such subsection shall apply only with respect to transportation beginning after December 31, 1962.

## SEC. 7. DISTRIBUTIONS BY FOREIGN TRUSTS.

### (a) DEFINITIONS.—

(1) **INCOME OF FOREIGN TRUST.**—Section 643(a)(6) (relating to modifications taken into account in computing distributable net income) is amended to read as follows:

“(6) **INCOME OF FOREIGN TRUST.**—In the case of a foreign trust—

“(A) There shall be included the amounts of gross income from sources without the United States, reduced by any amounts which would be deductible in respect of disbursements allocable to such income but for the provisions of section 265(1) (relating to disallowance of certain deductions).

“(B) Gross income from sources within the United States shall be determined without regard to section 894 (relating to income exempt under treaty).

“(C) Paragraph (3) shall not apply to a foreign trust created by a United States person. In the case of such a trust, (i) there shall be included gains from the sale or exchange of capital assets, reduced by losses from such sales or exchanges to the extent such losses do not exceed gains from such sales or exchanges, and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses) shall not be taken into account.”

(2) **FOREIGN TRUSTS.**—Section 643 (relating to definitions) is amended by adding at the end thereof the following new subsection:

“(d) **FOREIGN TRUSTS CREATED BY UNITED STATES PERSONS.**—For purposes of this part, the term ‘foreign trust created by a United States person’ means that portion of a foreign trust (as defined in section 7701(a)(31)) attributable to money or property transferred directly or indirectly by a United States person (as defined in section 7701(a)(30)), or under the will of a decedent who at the date of his death was a United States citizen or resident.”

*Post*, p. 988.

*Post*, p. 988.

### (b) ACCUMULATION DISTRIBUTIONS OF FOREIGN TRUSTS.—

(1) Section 665(b) (relating to definitions applicable to subpart D) is amended by striking out “(b) ACCUMULATION DISTRIBUTION.—For purposes of this subpart,” and inserting in lieu thereof the following:

“(b) **ACCUMULATION DISTRIBUTIONS OF TRUSTS OTHER THAN CERTAIN FOREIGN TRUSTS.**—For purposes of this subpart, in the case of

a trust (other than a foreign trust created by a United States person),”.

26 USC 665.

(2) Section 665 is amended by redesignating subsections (c) and (d) as (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

“(c) ACCUMULATION DISTRIBUTION OF CERTAIN FOREIGN TRUSTS.—For purposes of this subpart, in the case of a foreign trust created by a United States person, the term ‘accumulation distribution’ for any taxable year of the trust means the amount by which the amounts specified in paragraph (2) of section 661(a) for such taxable year exceed distributable net income, reduced by the amounts specified in paragraph (1) of section 661(a). For purposes of this subsection, the amount specified in paragraph (2) of section 661(a) shall be determined without regard to section 666. Any amount paid to a United States person which is from a payor who is not a United States person and which is derived directly or indirectly from a foreign trust created by a United States person shall be deemed in the year of payment to have been directly paid by the foreign trust.”

26 USC 666.

(c) ALLOCATION OF ACCUMULATION DISTRIBUTIONS TO PRECEDING YEARS.—Section 666(a) (relating to accumulation distribution allocated to 5 preceding years) is amended—

(1) by striking out “(a) AMOUNT ALLOCATED.—In the case of a trust” and inserting in lieu thereof the following:

“(a) AMOUNT ALLOCATED.—In the case of a trust (other than a foreign trust created by a United States person)”;

(2) by adding at the end thereof the following new sentence:

“In the case of a foreign trust created by a United States person, this subsection shall apply to the preceding taxable years of the trust without regard to any provision of the preceding sentences which would (but for this sentence) limit its application to the 5 preceding taxable years.”

(d) AMOUNTS TREATED AS RECEIVED IN PRIOR YEARS.—Section 668

(a) (relating to amounts treated as received in prior taxable years) is amended by adding at the end thereof the following new sentence:

“Except as provided in section 669, in the case of a foreign trust created by a United States person the preceding sentence shall not apply to any beneficiary who is a United States person.”

26 USC 665-668.

(e) SPECIAL RULES FOR FOREIGN TRUSTS.—Subpart D of part I of subchapter J of chapter 1 (relating to treatment of excess distributions by trusts) is amended by adding at the end thereof the following new section:

“SEC. 669. SPECIAL RULES APPLICABLE TO CERTAIN FOREIGN TRUSTS.

“(a) LIMITATION ON TAX.—

“(1) GENERAL RULE.—At the election of a beneficiary who is a United States person (as defined in section 7701(a)(30)) and who satisfies the requirements of subsection (b), the tax attributable to the amounts treated under section 668(a) as having been received by him from a foreign trust created by a United States person on the last day of a preceding taxable year of the trust shall not be greater than—

“(A) the tax determined under the next to the last sentence of section 668(a), or

“(B) the tax determined by multiplying by the number of preceding taxable years of the trust, on the last day of each of which an amount is deemed under section 666(a) to have been distributed, the average of the increase in tax attributable to recomputing the beneficiary’s gross income for the taxable year and each of his 2 taxable years immediately preceding

*Post*, p. 988.

*Supra*.

the year of the accumulation distribution by adding to the income of each of such years an amount determined by dividing the amount required to be included in income under section 668(a) by such number of preceding taxable years of the trust. The recomputation for the taxable year shall be made without regard to the inclusion in income required by section 668(a) of any amount other than pursuant to this paragraph.

26 USC 668;  
*Ante*, p. 986.

“(2) EXCEPTIONS.—

“(A) When an accumulation distribution is deemed under section 666(a) to have been distributed on the last day of less than 3 taxable years of the trust, the taxable years of the beneficiary for which a recomputation is made under subsection (a)(1)(B) shall equal the number of years to which section 666(a) applies, commencing with the most recent taxable year of the beneficiary.

26 USC 666;  
*Ante*, p. 986.

“(B) If a beneficiary was not alive on the last day of each preceding taxable year of the trust with respect to which a distribution is deemed made under section 666(a), paragraph (1)(A) of this subsection shall not apply. In applying paragraph (1)(B) of this subsection, no recomputation shall be made for a beneficiary for a taxable year for which he was not alive; if he has no preceding taxable year, the recomputation shall be made on the basis of his taxable year without regard to the inclusion in income required by section 668(a) of any amount other than pursuant to paragraph (1)(B).

“(3) EFFECT OF PRIOR ELECTION.—In computing the limitation on tax under paragraph (1) of this subsection for any beneficiary—

“(A) SUBSEQUENT ELECTION UNDER PARAGRAPH (1)(A).—If an election has been made under paragraph (1)(B) of this subsection, for purposes of a subsequent election under paragraph (1)(A) the income of any year with respect to which an amount is deemed distributed to a beneficiary under section 666(a) shall include amounts previously deemed distributed to such beneficiary for such year as a result of an accumulation distribution with respect to which an election under paragraph (1)(B) was made.

“(B) SUBSEQUENT ELECTION UNDER PARAGRAPH (1)(B).—If with respect to an accumulation distribution an election has been made under either paragraph (1)(A) or paragraph (1)(B) of this subsection, or the next to the last sentence of section 668(a) has applied, for purposes of a subsequent election under paragraph (1)(B) the number of preceding taxable years of the trust with respect to which an amount is deemed distributed to a beneficiary under section 666(a) shall be determined without regard to any such year with respect to which an amount was previously deemed distributed to such beneficiary.

“(b) INFORMATION REQUIREMENT.—The election of a beneficiary to apply the limitations on tax provided in subsection (a) of this section shall not be effective unless the beneficiary at the time of making the election supplies such information with respect to the operation and accounts of the trust, for each taxable year on the last day of which an amount is deemed distributed under section 666(a), as the Secretary or his delegate may by regulations prescribe.”

(f) INFORMATION RETURNS WITH RESPECT TO FOREIGN TRUSTS.—Subpart B of part III of subchapter A of chapter 61 (relating to infor-



mation concerning transactions with other persons) is amended by adding at the end thereof the following new section:

**"SEC. 6048. RETURNS AS TO CREATION OF OR TRANSFERS TO CERTAIN FOREIGN TRUSTS.**

**"(a) GENERAL RULE.**—On or before the 90th day after—

**"(1)** the creation of any foreign trust by a United States person, or

**"(2)** the transfer of any money or property to a foreign trust by a United States person,

the grantor in the case of an inter vivos trust, the fiduciary of an estate in the case of a testamentary trust, or the transferor, as the case may be, shall make a return in compliance with the provisions of subsection (b).

**"(b) FORM AND CONTENTS OF RETURNS.**—The returns required by subsection (a) shall be in such form and shall set forth, in respect of the foreign trust, such information as the Secretary or his delegate prescribes by regulation as necessary for carrying out the provisions of the income tax laws.

**"(c) CROSS REFERENCES.**—

**"(1)** For provisions relating to penalties for violations of this section, see sections 6677 and 7203.

**"(2)** For definition of the term 'foreign trust created by a United States person', see section 643(d)."

**(g) FAILURE TO FILE INFORMATION RETURNS.**—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

**"SEC. 6677. FAILURE TO FILE INFORMATION RETURNS WITH RESPECT TO CERTAIN FOREIGN TRUSTS.**

**"(a) CIVIL PENALTY.**—In addition to any criminal penalty provided by law, any person required to file a return under section 6048 who fails to file such return at the time provided in such section, or who files a return which does not show the information required pursuant to such section, shall pay a penalty equal to 5 percent of the amount transferred to a trust, but not more than \$1,000, unless it is shown that such failure is due to reasonable cause.

**"(b) DEFICIENCY PROCEDURES NOT TO APPLY.**—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, and gift taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a)."

**(h) UNITED STATES PERSON DEFINED.**—Section 7701(a) is amended by adding at the end thereof the following new paragraphs:

**"(30) UNITED STATES PERSON.**—The term 'United States person' means—

**"(A)** a citizen or resident of the United States,

**"(B)** a domestic partnership,

**"(C)** a domestic corporation, and

**"(D)** any estate or trust (other than a foreign estate or foreign trust, within the meaning of section 7701(a) (31)).

**"(31) FOREIGN ESTATE OR TRUST.**—The terms 'foreign estate' and 'foreign trust' mean an estate or trust, as the case may be, the income of which from sources without the United States is not includible in gross income under subtitle A."

**(i) TECHNICAL AMENDMENTS.**—

**(1)** The table of sections for subpart D of subchapter J of chapter 1 (relating to treatment of excess distributions by trusts) is amended by adding at the end thereof

"Sec. 669. Special rules applicable to certain foreign trusts."

Infra; 26 USC 7203.

Ante, p. 985.

26 USC 6651-6659.

26 USC 6211-6216.

26 USC 7701.

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by adding at the end thereof

“Sec. 6048. Returns as to creation of or transfers to certain foreign trusts.”

(3) The table of sections for subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof

“Sec. 6677. Failure to file information returns with respect to certain foreign trusts.”

(j) **EFFECTIVE DATE.**—The amendments made by this section (other than by subsections (f), (g), and (h)) shall apply with respect to distributions made after December 31, 1962.

**SEC. 8. MUTUAL INSURANCE COMPANIES (OTHER THAN LIFE, MARINE, AND CERTAIN FIRE OR FLOOD INSURANCE COMPANIES), ETC.**

(a) **IMPOSITION OF TAX.**—So much of part II of subchapter L (relating to mutual insurance companies, other than life or marine or fire insurance companies issuing perpetual policies) of chapter 1 as precedes section 822 is amended to read as follows:

26 USC 821-826;  
Ante, p. 114.

**“PART II—MUTUAL INSURANCE COMPANIES (OTHER THAN LIFE AND CERTAIN MARINE INSURANCE COMPANIES AND OTHER THAN FIRE OR FLOOD INSURANCE COMPANIES WHICH OPERATE ON BASIS OF PERPETUAL POLICIES OR PREMIUM DEPOSITS)**

“Sec. 821. Tax on mutual insurance companies to which part II applies.

“Sec. 822. Determination of taxable investment income.

“Sec. 823. Determination of statutory underwriting income or loss.

“Sec. 824. Adjustments to provide protection against losses.

“Sec. 825. Unused loss deduction.

“Sec. 826. Election by reciprocal.

**“SEC. 821. TAX ON MUTUAL INSURANCE COMPANIES TO WHICH PART II APPLIES.**

“(a) **IMPOSITION OF TAX.**—A tax is hereby imposed for each taxable year beginning after December 31, 1962, on the mutual insurance company taxable income of every mutual insurance company (other than a life insurance company and other than a fire, flood, or marine insurance company subject to the tax imposed by section 831). Such tax shall consist of—

Post, pp. 997,  
998.

“(1) **NORMAL TAX.**—

“(A) **TAXABLE YEARS BEGINNING BEFORE JULY 1, 1963.**—

In the case of taxable years beginning before July 1, 1963, a normal tax of 30 percent of the mutual insurance company taxable income, or 60 percent of the amount by which such taxable income exceeds \$6,000, whichever is the lesser;

“(B) **TAXABLE YEARS BEGINNING AFTER JUNE 30, 1963.**—

In the case of taxable years beginning after June 30, 1963, a normal tax of 25 percent of the mutual insurance company taxable income, or 50 percent of the amount by which such taxable income exceeds \$6,000, whichever is the lesser; plus

“(2) **SURTAX.**—A surtax of 22 percent of the mutual insurance company taxable income (computed without regard to the deduction provided in section 242 for partially tax-exempt interest) in excess of \$25,000.

26 USC 242.

“(b) **MUTUAL INSURANCE COMPANY TAXABLE INCOME DEFINED.**—For purposes of this part, the term ‘mutual insurance company tax-

able income' means, with respect to any taxable year, the amount by which—

“(1) the sum of—

*Post*, p. 992.

“(A) the taxable investment income (as defined in section 822(a)(1)),

*Post*, p. 992.

“(B) the statutory underwriting income (as defined in section 823(a)(1)), and

*Post*, p. 994.

“(C) the amounts required by section 824(d) to be subtracted from the protection against loss account, exceeds

“(2) the sum of—

“(A) the investment loss (as defined in section 822(a)(2)),

“(B) the statutory underwriting loss (as defined in section 823(a)(2)), and

*Post*, p. 995.

“(C) the unused loss deduction provided by section 825(a).

“(c) ALTERNATIVE TAX FOR CERTAIN SMALL COMPANIES.—

“(1) IMPOSITION OF TAX.—In the case of taxable years beginning after December 31, 1962, there is hereby imposed for each taxable year on the income of each mutual insurance company to which this subsection applies a tax (which shall be in lieu of the tax imposed by subsection (a)) computed as follows:

“(A) NORMAL TAX.—

“(i) TAXABLE YEARS BEGINNING BEFORE JULY 1, 1963.—

In the case of taxable years beginning before July 1, 1963, a normal tax of 30 percent of the taxable investment income, or 60 percent of the amount by which such taxable income exceeds \$3,000, whichever is the lesser;

“(ii) TAXABLE YEARS BEGINNING AFTER JUNE 30, 1963.—

In the case of taxable years beginning after June 30, 1963, a normal tax of 25 percent of the taxable investment income, or 50 percent of the amount by which such taxable income exceeds \$3,000, whichever is the lesser; plus

26 USC 242.

“(B) SURTAX.—A surtax of 22 percent of the taxable investment income (computed without regard to the deduction provided in section 242 for partially tax-exempt interest) in excess of \$25,000.

“(2) GROSS AMOUNT RECEIVED, OVER \$150,000 BUT LESS THAN \$250,000.—If the gross amount received during the taxable year from the items described in section 822(b) (other than paragraph (1)(D) thereof) and premiums (including deposits and assessments) is over \$150,000 but less than \$250,000, the tax imposed by paragraph (1) shall be reduced to an amount which bears the same proportion to the amount of the tax determined under paragraph (1) as the excess over \$150,000 of such gross amount received bears to \$100,000.

“(3) COMPANIES TO WHICH SUBSECTION APPLIES.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), this subsection shall apply to every mutual insurance company (other than a life insurance company and other than a fire, flood, or marine insurance company subject to the tax imposed by section 831) which received during the taxable year from the items described in section 822(b) (other than paragraph (1)(D) thereof) and premiums (including deposits and assessments) a gross amount in excess of \$150,000 but not in excess of \$500,000.

*Post*, pp. 997,  
998.

“(B) EXCEPTIONS.—This subsection shall not apply to a mutual insurance company for the taxable year if—

“(i) there is in effect an election by such company made under subsection (d) to be taxable under subsection (a); or

“(ii) there is any amount in the protection against loss account at the beginning of the taxable year.

“(d) ELECTION TO INCLUDE STATUTORY UNDERWRITING INCOME OR LOSS.—

“(1) IN GENERAL.—Any mutual insurance company which is subject to the tax imposed by subsection (c) may elect, in such manner and at such time as the Secretary or his delegate may by regulations prescribe, to be subject to the tax imposed by subsection (a).

“(2) EFFECT OF ELECTION.—If an election is made under paragraph (1), the electing company shall be subject to the tax imposed by subsection (a) (and shall not be subject to the tax imposed by subsection (c)) for the first taxable year for which such election is made and for all taxable years thereafter unless the Secretary or his delegate consents to a revocation of such election.

“(e) NO UNITED STATES INSURANCE BUSINESS.—Foreign mutual insurance companies (other than a life insurance company and other than a fire, flood, or marine insurance company subject to the tax imposed by section 831) not carrying on an insurance business within the United States shall not be subject to this part but shall be taxable as other foreign corporations.

*Post*, pp. 997, 998.

“(f) SPECIAL TRANSITIONAL UNDERWRITING LOSS.—

“(1) COMPANIES TO WHICH SUBSECTION APPLIES.—This subsection shall apply to every mutual insurance company which has been subject to the tax imposed by this section (as in effect before the enactment of this subsection) for the 5 taxable years immediately preceding January 1, 1962, and has incurred an underwriting loss for each of such 5 taxable years.

“(2) REDUCTION OF STATUTORY UNDERWRITING INCOME.—For purposes of this part, the statutory underwriting income of a company described in paragraph (1) for the taxable year shall be the statutory underwriting income for the taxable year (determined without regard to this subsection) reduced by the amount by which—

“(A) the sum of the underwriting losses of such company for the 5 taxable years immediately preceding January 1, 1962, exceeds

“(B) the total amount by which the company's statutory underwriting income was reduced by reason of this subsection for prior taxable years.

“(3) UNDERWRITING LOSS DEFINED.—For purposes of this subsection, the term ‘underwriting loss’ means statutory underwriting loss, computed without any deduction under section 824(a) and without any deduction under section 832(c)(11).

*Post*, p. 993.

*Post*, p. 997.

“(4) YEARS TO WHICH SUBSECTION APPLIES.—This subsection shall apply with respect to any taxable year beginning after December 31, 1962, and before January 1, 1968, for which the taxpayer is subject to the tax imposed by subsection (a).

“(g) CROSS REFERENCES.—

“(1) For exemption from tax of certain mutual insurance companies, see section 501(c)(15).

“(2) For alternative tax in case of capital gains, see section 1201(a).”

26 USC 501;

*Post*, p. 997.

26 USC 1201;

*Post*, p. 999.

(b) TAXABLE INVESTMENT INCOME.—

(1) IN GENERAL.—Section 822 (relating to determination of mutual insurance company taxable income) is amended by strik-

26 USC 822;

*Post*, p. 992.

ing out the heading and subsection (a) and inserting in lieu thereof the following:

**"SEC. 822. DETERMINATION OF TAXABLE INVESTMENT INCOME.**

**"(a) DEFINITIONS.—**For purposes of this part—

**"(1)** The term 'taxable investment income' means the gross investment income, minus the deductions provided in subsection (c).

**"(2)** The term 'investment loss' means the amount by which the deductions provided in subsection (c) exceed the gross investment income."

26 USC 822. **(2) CONFORMING AMENDMENTS.—**Subsections (c) and (e) of section 822 are each amended by striking out "mutual insurance company taxable income" each place it appears and inserting in lieu thereof "taxable investment income".

26 USC 246. **(3) DIVIDENDS RECEIVED DEDUCTION.—**Section 822(c)(7) (relating to special deductions) is amended by adding at the end thereof the following new sentence: "In applying section 246(b) (relating to limitation on aggregate amount of deductions for dividends received) for purposes of this paragraph, the reference in such section to 'taxable income' shall be treated as a reference to 'taxable investment income'."

**(4) REDESIGNATION OF SECTION 823.—**Part II of subchapter L of chapter 1 is amended by striking out

**"SEC. 823. OTHER DEFINITIONS.**

**"For purposes of this part—"**,

and inserting in lieu thereof (at the end of section 822) the following:

**"(f) DEFINITIONS.—**For purposes of this part—"

**(c) STATUTORY UNDERWRITING INCOME OR LOSS.—**Part II of subchapter L of chapter 1 is amended by adding after section 822(f) (as redesignated by subsection (b)(4) of this section) the following new sections:

**"SEC. 823. DETERMINATION OF STATUTORY UNDERWRITING INCOME OR LOSS.**

**"(a) IN GENERAL.—**For purposes of this part—

**"(1)** The term 'statutory underwriting income' means the amount by which—

26 USC 832. **"(A)** the gross income which would be taken into account in computing taxable income under section 832 if the taxpayer were subject to the tax imposed by section 831, reduced by the gross investment income, exceeds

*Post*, pp. 997, 998. **"(B)** the sum of (i) the deductions which would be taken into account in computing taxable income if the taxpayer were subject to the tax imposed by section 831, reduced by the deductions provided in section 822(c), plus (ii) the deductions provided in subsection (c) and section 824(a).

**"(2)** The term 'statutory underwriting loss' means the excess of the amount referred to in paragraph (1)(B) over the amount referred to in paragraph (1)(A).

**"(b) MODIFICATIONS.—**In applying subsection (a)—

26 USC 172. **"(1) NET OPERATING LOSS DEDUCTION.—**The deduction for net operating losses provided in section 172 shall not be allowed.

**"(2) INTERINSURERS.—**In the case of a mutual insurance company which is an interinsurer or reciprocal underwriter—

**"(A)** there shall be allowed as a deduction the increase for the taxable year in savings credited to subscriber accounts, or

**"(B)** there shall be included as an item of gross income the decrease for the taxable year in savings credited to subscriber accounts.

For purposes of the preceding sentence, the term 'savings credited to subscriber accounts' means such portion of the surplus as is credited to the individual accounts of subscribers before the 16th day of the third month following the close of the taxable year, but only if the company would be obligated to pay such amount promptly to such subscriber if he terminated his contract at the close of the company's taxable year. For purposes of determining his taxable income, the subscriber shall treat any such savings credited to his account as a dividend paid or declared.

**"(c) SPECIAL DEDUCTION FOR SMALL COMPANY HAVING GROSS AMOUNT OF LESS THAN \$1,100,000.—**

**"(1) IN GENERAL.**—If the gross amount received during the taxable year by a taxpayer subject to the tax imposed by section 821(a) from the items described in section 822(b) (other than paragraph (1)(D) thereof) and premiums (including deposits and assessments) does not equal or exceed \$1,100,000, then in determining the statutory underwriting income or loss for the taxable year there shall be allowed an additional deduction of \$6,000; except that if such gross amount exceeds \$500,000, such additional deduction shall be equal to 1 percent of the amount by which \$1,100,000 exceeds such gross amount.

**"(2) LIMITATION.**—The amount of the deduction allowed under paragraph (1) shall not exceed the statutory underwriting income for the taxable year, computed without regard to any deduction under this subsection or section 824(a).

**"SEC. 824. ADJUSTMENTS TO PROVIDE PROTECTION AGAINST LOSSES.**

**"(a) ALLOWANCE OF DEDUCTION.—**

**"(1) IN GENERAL.**—In determining the statutory underwriting income or loss for any taxable year there shall be allowed as a deduction the sum of—

**"(A)** an amount equal to 1 percent of the losses incurred during the taxable year (as determined under section 832(b)(5)), plus

26 USC 832.

**"(B)** an amount equal to 25 percent of the underwriting gain for the taxable year, plus

**"(C)** if the concentrated windstorm, etc., premium percentage for the taxable year exceeds 40 percent, an amount determined by applying so much of such percentage as exceeds 40 percent to the underwriting gain for the taxable year.

For purposes of this paragraph, the term 'underwriting gain' means statutory underwriting income, computed without any deduction under this subsection.

**"(2) SPECIAL RULE FOR COMPANIES HAVING CONCENTRATED WINDSTORM, ETC., RISKS.**—For purposes of paragraph (1)(C), the term 'concentrated windstorm, etc., premium percentage' means, with respect to any taxable year, the percentage obtained by dividing—

**"(A)** the amount of the premiums earned on insurance contracts during the taxable year (as defined in section 832(b)(4)), to the extent attributable to insuring against losses arising, either in any one State or within 200 miles of any fixed point selected by the taxpayer, from windstorm, hail, flood, earthquake, or similar hazards, by

26 USC 832;  
Post, p. 997.

**"(B)** the amount of the premiums earned on insurance contracts during the taxable year (as so defined).

**"(b) PROTECTION AGAINST LOSS ACCOUNT.**—Each insurance company subject to the tax imposed by section 821(a) for any taxable year shall, for purposes of this part, establish and maintain a protection against loss account.

Ante, p. 989.

“(c) ADDITIONS TO ACCOUNT.—There shall be added to the protection against loss account for each taxable year an amount equal to the amount allowable as a deduction for the taxable year under subsection (a) (1).

“(d) SUBTRACTIONS.—

“(1) ANNUAL SUBTRACTIONS.—After applying subsection (c), there shall be subtracted for the taxable year from the protection against loss account—

“(A) first, an amount equal to the excess (if any) of the deduction allowed under subsection (a) for the taxable year over the underwriting gain (within the meaning of subsection (a) (1)) for the taxable year,

“(B) then, the amount (if any) by which—

“(i) the sum of the investment loss for such year and the statutory underwriting loss (reduced by the amount referred to in subparagraph (A)) for such year, exceeds

“(ii) the sum of the statutory underwriting income for such taxable year and the taxable investment income for such taxable year,

“(C) next (in the order in which the losses occurred), amounts equal to the unused loss carryovers to such year,

“(D) next, any amount remaining which was added to the account for the fifth preceding taxable year, minus one-half of the amount remaining in the account for such taxable year which was added by reason of subsection (a) (1) (B), and

“(E) finally, the amount by which the total amount in the account exceeds whichever of the following is the greater:

“(i) 10 percent of premiums earned on insurance contracts during the taxable year (as defined in section 832 (b) (4)) less dividends to policyholders (as defined in section 832 (c) (11)), or

“(ii) the total amount in the account at the close of the preceding taxable year.

“(2) RULES FOR CEILING ON PROTECTION AGAINST LOSS ACCOUNT.—For purposes of paragraph (1) (E), the total amount in the account shall be determined—

“(A) after the application of this section without regard to paragraph (1) (E), and

“(B) without taking into consideration amounts remaining in the account which were added, with respect to all taxable years, by reason of subsection (a) (1) (C).

“(3) PRIORITIES.—The amounts required to be subtracted from the protection against loss account—

“(A) under subparagraphs (A), (B), and (C) of paragraph (1) shall be subtracted—

“(i) first (on a first-in, first-out, basis) from amounts in the account with respect to the five preceding taxable years and the taxable year, and

“(ii) then from amounts in the account with respect to earlier years,

“(B) under subparagraph (E) of paragraph (1) shall be subtracted only from amounts in the account with respect to the taxable year, and

“(C) under paragraphs (A), (B), (C), and (E) of paragraph (1) shall, if the amount to be subtracted from the total amounts in the account with respect to any taxable year is less than such total, be subtracted from each of the amounts (referred to in subsection (a) (1)) in the account with respect to such year in the proportion which each bears to such total.

"(4) **TERMINATION OF TAXABILITY UNDER SECTION 821.**—If the taxpayer is not subject to tax under section 821 for any taxable year, the entire amount in the account at the close of the preceding taxable year shall be subtracted from the account in such preceding taxable year.

*Ante*, p. 989.

"(5) **ELECTION TO SUBTRACT AMOUNT FROM ACCOUNT.**—

"(A) A taxpayer may elect for any taxable year for which it is subject to tax under section 821(a) to subtract from its protection against loss account any amount which, but for the application of this subparagraph, would be in such account as of the close of such taxable year.

"(B) The election provided by subparagraph (A) for any taxable year shall be made (in such manner and in such form as the Secretary or his delegate may by regulations prescribe) after the close of such taxable year and not later than the time prescribed by law for filing the return (including extensions thereof) for the taxable year following such taxable year. Such an election, once made, may not be revoked.

**"SEC. 825. UNUSED LOSS DEDUCTION.**

"(a) **AMOUNT OF DEDUCTION.**—For purposes of this part, the unused loss deduction for the taxable year shall be an amount equal to the unused loss carryovers or carrybacks to the taxable year.

"(b) **UNUSED LOSS DEFINED.**—For purposes of this part, the term 'unused loss' means, with respect to any taxable year, the amount (if any) by which—

"(1) the sum of the statutory underwriting loss and the investment loss, exceeds

"(2) the sum of—

"(A) the taxable investment income,

"(B) the statutory underwriting income, and

"(C) the amounts required by section 824(d) to be subtracted from the protection against loss account.

*Ante*, p. 994.

"(c) **LOSS YEAR DEFINED.**—For purposes of this part, the term 'loss year' means, with respect to any company subject to the tax imposed by section 821(a), any taxable year in which the unused loss (as defined in subsection (b)) of such taxpayer is more than zero.

"(d) **YEARS TO WHICH CARRIED.**—The unused loss for any loss year shall be—

"(1) an unused loss carryback to each of the 3 taxable years preceding the loss year, and

"(2) an unused loss carryover to each of the 5 taxable years following the loss year.

"(e) **AMOUNT OF CARRYBACKS AND CARRYOVERS.**—The entire amount of the unused loss for any loss year shall be carried to the earliest of the taxable years to which such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess (if any) of the amount of such loss over the sum of the offsets (as defined in subsection (f)) for each of the prior taxable years to which such loss may be carried.

"(f) **OFFSET DEFINED.**—For purposes of subsection (e), the term 'offset' means with respect to any taxable year (hereinafter referred to as the 'offset year')—

"(1) in the case of an unused loss carryback from the loss year to the offset year, the mutual insurance company taxable income for the offset year; or

"(2) in the case of an unused loss carryover from the loss year to the offset year, an amount equal to the sum of—



*Ante*, p. 994.

“(A) the amount required to be subtracted from the protection against loss account under section 824(d)(1)(C) for the offset year, plus

“(B) the mutual insurance company taxable income for the offset year.

For purposes of paragraphs (1) and (2)(B), the mutual insurance company taxable income for the offset year shall be determined without regard to any unused loss carryback or carryover from the loss year or any taxable year thereafter.

“(g) LIMITATIONS.—For purposes of this part, an unused loss shall not be carried—

“(1) to or from any taxable year beginning before January 1, 1963,

“(2) to or from any taxable year for which the insurance company is not subject to the tax imposed by section 821(a), nor

“(3) to any taxable year if, between the loss year and such taxable year, there is an intervening taxable year for which the insurance company was not subject to the tax imposed by section 821(a).

*Ante*, p. 989.

#### “SEC. 826. ELECTION BY RECIPROCAL.

“(a) IN GENERAL.—Except as otherwise provided in this section, any mutual insurance company which is an interinsurer or reciprocal underwriter (hereinafter in this section referred to as a ‘reciprocal’) subject to the taxes imposed by section 821(a) may, under regulations prescribed by the Secretary or his delegate, elect to be subject to the limitation provided in subsection (b). Such election shall be effective for the taxable year for which made and for all succeeding taxable years, and shall not be revoked except with the consent of the Secretary or his delegate.

“(b) LIMITATION.—The deduction for amounts paid or incurred in the taxable year to the attorney-in-fact by a reciprocal making the election provided in subsection (a) shall be limited to, but in no case increased by, the deductions of the attorney-in-fact allocable, in accordance with regulations prescribed by the Secretary or his delegate, to the income received by the attorney-in-fact from the reciprocal.

“(c) EXCEPTION.—An election may not be made by a reciprocal under subsection (a) unless the attorney-in-fact of such reciprocal—

“(1) is subject to the taxes imposed by section 11 (b) and (c);

“(2) consents in such manner as the Secretary or his delegate shall prescribe by regulations to make available such information as may be required during the period in which the election provided in subsection (a) is in effect, under regulations prescribed by the Secretary or his delegate;

“(3) reports the income received from the reciprocal and the deductions allocable thereto under the same method of accounting under which the reciprocal reports deductions for amounts paid to the attorney-in-fact; and

“(4) files its return on the calendar year basis.

“(d) SPECIAL RULE.—In applying section 824(d)(1)(D), any amount which was added to the protection against loss account by reason of an election under this section shall be treated as having been added by reason of section 824(a)(1)(A).

“(e) CREDIT.—Any reciprocal electing to be subject to the limitation provided in subsection (b) shall be credited with so much of the tax paid by the attorney-in-fact as is attributable, under regulations prescribed by the Secretary or his delegate, to the income received by the attorney-in-fact from the reciprocal in such taxable year.

26 USC 11;  
*Ante*, p. 114.

*Ante*, p. 994.

*Ante*, p. 993.

“(f) **SURTAX EXEMPTION DENIED.**—Any increase in taxable income of a reciprocal attributable to the limitation provided in subsection (b) shall be taxed without regard to the surtax exemption provided in section 821(a)(2).”

*Ante*, p. 989.

“(g) **ADJUSTMENT FOR REFUND.**—If for any taxable year an attorney-in-fact is allowed a credit or refund for taxes paid with respect to which credit or refund to the reciprocal resulted under subsection (e), the taxes of such reciprocal for such taxable year shall be properly adjusted under regulations prescribed by the Secretary or his delegate.

“(h) **TAXES OF ATTORNEY-IN-FACT UNAFFECTED.**—Nothing in this section shall increase or decrease the taxes imposed by this chapter on the income of the attorney-in-fact.”

(d) **EXEMPTION FROM TAX.**—Section 501(c)(15) (relating to exemption from tax of certain mutual insurance companies) is amended by striking out “\$75,000” and in lieu thereof inserting “\$150,000”.

26 USC 501.

(e) **MUTUAL FIRE INSURANCE COMPANIES OPERATING ON BASIS OF PREMIUM DEPOSITS.**—

(1) **APPLICATION OF SECTION 831(a).**—Section 831(a) (imposing a tax on certain mutual marine and fire insurance companies and on stock insurance companies which are not life insurance companies) is amended to read as follows:

26 USC 831.

“(a) **IMPOSITION OF TAX.**—Taxes computed as provided in section 11 shall be imposed for each taxable year or the taxable income of—

26 USC 11;

“(1) every insurance company (other than a life or mutual insurance company),

*Ante*, p. 114.”

“(2) every mutual marine insurance company, and

“(3) every mutual fire or flood insurance company—

“(A) exclusively issuing perpetual policies, or

“(B) whose principal business is the issuance of policies for which the premium deposits are the same, regardless of the length of the term for which the policies are written, if the unabsorbed portion of such premium deposits not required for losses, expenses, or establishment of reserves is returned or credited to the policyholder on cancellation or expiration of the policy.”

(2) **TREATMENT OF UNABSORBED PREMIUM DEPOSITS.**—Section 832(b)(4) (relating to definition of premiums earned) is amended by adding at the end thereof the following new sentence: “For purposes of this subsection, unearned premiums of mutual fire or flood insurance companies described in section 831(a)(3)(B) means (with respect to the policies described in section 831(a)(3)(B)) the amount of unabsorbed premium deposits which the company would be obligated to return to its policyholders at the close of the taxable year if all of its policies were terminated at such time; and the determination of such amount shall be based on the schedule of unabsorbed premium deposit returns for each such company then in effect. Premiums paid by the subscriber of a mutual flood insurance company referred to in paragraph (3) of section 831(a) shall be treated, for purposes of computing the taxable income of such subscriber, in the same manner as premiums paid by a policyholder to a mutual fire insurance company referred to in such paragraph (3).”

26 USC 832.

*Supra*.

(3) **CONFORMING AMENDMENT.**—Section 832(b)(1)(C) is amended by striking out “section 831(a),” and inserting in lieu thereof “section 831(a)(3)(A).”

26 USC 832.

26 USC 831.

(4) **ADJUSTMENT OF PREMIUM DEPOSIT.**—Section 832(c)(11) is amended to read as follows:

“(11) dividends and similar distributions paid or declared to policyholders in their capacity as such, except in the case of a

*Ante*, p. 997.

mutual fire insurance company described in section 831(a)(3)(A). For purposes of the preceding sentence, the term 'dividends and similar distributions' includes amounts returned or credited to policyholders on cancellation or expiration of policies described in section 831(a)(3)(B). For purposes of this paragraph, the term 'paid or declared' shall be construed according to the method of accounting regularly employed in keeping the books of the insurance company; and".

26 USC 832.

(5) **ADDITIONAL ITEM OF INCOME.**—Section 832(b)(1) is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(D) in the case of a mutual fire or flood insurance company described in section 831(a)(3)(B), an amount equal to 2 percent of the premiums earned on insurance contracts during the taxable year with respect to policies described in section 831(a)(3)(B) after deduction of premium deposits returned or credited during the same taxable year."

*Ante*, p. 997.

(f) **ELECTION OF CERTAIN MUTUAL COMPANIES TO BE TAXED ON TOTAL INCOME.**—Section 831 is amended by redesignating subsection (c) as subsection (d), and by inserting after subsection (b) the following new subsection:

"(c) **ELECTION FOR MULTIPLE LINE COMPANY TO BE TAXED ON TOTAL INCOME.**—

"(1) **IN GENERAL.**—Any mutual insurance company engaged in writing marine, fire, and casualty insurance which for any 5-year period beginning after December 31, 1941, and ending before January 1, 1962, was subject to the tax imposed by section 831 (or the tax imposed by corresponding provisions of prior law) may elect, in such manner and at such time as the Secretary or his delegate may by regulations prescribe, to be subject to the tax imposed by section 831, whether or not marine insurance is its predominant source of premium income.

*Ante*, p. 989.

"(2) **EFFECT OF ELECTION.**—If an election is made under paragraph (1), the electing company shall (in lieu of being subject to the tax imposed by section 821) be subject to the tax imposed by this section for taxable years beginning after December 31, 1961. Such election shall not be revoked except with the consent of the Secretary or his delegate."

(g) **TECHNICAL AMENDMENTS, ETC.**—

26 USC 841.

(1) **CREDIT FOR FOREIGN TAXES.**—Section 841 (relating to credit for foreign taxes) is amended by striking out "and" at the end of paragraph (1), by renumbering paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

"(2) in the case of the tax imposed by section 821(a), the mutual insurance company taxable income (as defined in section 821(b)); and in the case of the tax imposed by section 821(c), the taxable investment income (as defined in section 822(a)), and".

26 USC 1016.

(2) **ADJUSTMENTS TO BASIS FOR DEPRECIATION SUSTAINED.**—Section 1016(a)(3) (relating to adjustments to basis for depreciation, etc., sustained) is amended by striking out "and" at the end of subparagraph (B), by inserting "and" at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

"(D) since February 28, 1913, during which such property was held by a person subject to tax under part II of subchapter L (or the corresponding provisions of prior income tax laws), to the extent that paragraph (2) does not apply,".

(3) **ALTERNATIVE TAX ON CAPITAL GAINS.**—Section 1201(a) (relating to alternative tax on corporations) is amended by striking out “821 (a) (1) or (b),” and inserting in lieu thereof “821 (a) or (c),”.

26 USC 1201.

*Ante*, p. 989.

(4) **CLERICAL AMENDMENTS.**—

(A) The table of parts for subchapter L is amended by striking out the portion referring to part II and inserting in lieu thereof the following:

“Part II. Mutual insurance companies (other than life and certain marine insurance companies and other than fire or flood insurance companies which operate on basis of perpetual policies or premium deposits).”

(B) The heading to section 831 is amended to read as follows:

**“SEC. 831. TAX ON INSURANCE COMPANIES (OTHER THAN LIFE OR MUTUAL), MUTUAL MARINE INSURANCE COMPANIES, AND CERTAIN MUTUAL FIRE OR FLOOD INSURANCE COMPANIES.”**

(C) The table of sections for part III of subchapter L is amended by striking out the portion referring to section 831 and inserting in lieu thereof the following:

“Sec. 831. Tax on insurance companies (other than life or mutual), mutual marine insurance companies, and certain mutual fire or flood insurance companies.”

(h) **EFFECTIVE DATE.**—The amendments made by this section (other than by subsection (f)) shall apply with respect to taxable years beginning after December 31, 1962.

**SEC. 9. DOMESTIC CORPORATIONS RECEIVING DIVIDENDS FROM FOREIGN CORPORATIONS.**

(a) **FOREIGN TAXES DEEMED PAID BY DOMESTIC CORPORATIONS.**—Section 902 (relating to credit for corporate stockholder in foreign corporations) is amended to read as follows:

26 USC 902.

**“SEC. 902. CREDIT FOR CORPORATE STOCKHOLDER IN FOREIGN CORPORATION.**

“(a) **TREATMENT OF TAXES PAID BY FOREIGN CORPORATION.**—For purposes of this subpart, a domestic corporation which owns at least 10 percent of the voting stock of a foreign corporation from which it receives dividends in any taxable year shall—

“(1) to the extent such dividends are paid by such foreign corporation out of accumulated profits (as defined in subsection (c)(1)(A)) of a year for which such foreign corporation is not a less developed country corporation, be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid or deemed to be paid by such foreign corporation to any foreign country or to any possession of the United States on or with respect to such accumulated profits, which the amount of such dividends (determined without regard to section 78) bears to the amount of such accumulated profits in excess of such income, war profits, and excess profits taxes (other than those deemed paid); and

*Post*, p. 1001.

“(2) to the extent such dividends are paid by such foreign corporation out of accumulated profits (as defined in subsection (c)(1)(B)) of a year for which such foreign corporation is a less developed country corporation, be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid or deemed to be paid by such foreign corporation to any foreign country or to any possession of the United States on or with respect to such accumulated profits, which the amount of such dividends bears to the amount of such accumulated profits.

“(b) FOREIGN SUBSIDIARY OF FOREIGN CORPORATION.—If such foreign corporation owns 50 percent or more of the voting stock of another foreign corporation from which it receives dividends in any taxable year, it shall be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid by such other foreign corporation to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of the corporation from which such dividends were paid which—

“(1) for purposes of applying subsection (a) (1), the amount of such dividends bears to the amount of the accumulated profits (as defined in subsection (c) (1) (A)) of such other foreign corporation from which such dividends were paid in excess of such income, war profits, and excess profits taxes, or

“(2) for purposes of applying subsection (a) (2), the amount of such dividends bears to the amount of the accumulated profits (as defined in subsection (c) (1) (B)) of such other foreign corporation from which such dividends were paid.

“(c) APPLICABLE RULES.—

“(1) ACCUMULATED PROFITS DEFINED.—For purposes of this section, the term ‘accumulated profits’ means with respect to any foreign corporation—

“(A) for purposes of subsections (a) (1) and (b) (1), the amount of its gains, profits, or income computed without reduction by the amount of the income, war profits, and excess profits taxes imposed on or with respect to such profits or income by any foreign country or any possession of the United States; and

“(B) for purposes of subsections (a) (2) and (b) (2), the amount of its gains, profits, or income in excess of the income, war profits, and excess profits taxes imposed on or with respect to such profits or income.

The Secretary or his delegate shall have full power to determine from the accumulated profits of what year or years such dividends were paid, treating dividends paid in the first 60 days of any year as having been paid from the accumulated profits of the preceding year or years (unless to his satisfaction shown otherwise), and in other respects treating dividends as having been paid from the most recently accumulated gains, profits, or earnings.

“(2) ACCOUNTING PERIODS.—In the case of a foreign corporation, the income, war profits, and excess profits taxes of which are determined on the basis of an accounting period of less than 1 year, the word ‘year’ as used in this subsection shall be construed to mean such accounting period.

“(d) LESS DEVELOPED COUNTRY CORPORATION DEFINED.—For purposes of this section, the term ‘less developed country corporation’ means—

“(1) a foreign corporation which, for its taxable year, is a less developed country corporation within the meaning of section 955(c) (1) or (2), and

“(2) a foreign corporation which owns 10 percent or more of the total combined voting power of all classes of stock entitled to vote of a foreign corporation which is a less developed country corporation within the meaning of section 955(c) (1), and—

“(A) 80 percent or more of the gross income of which for its taxable year meets the requirement of section 955(c) (1) (A); and

“(B) 80 percent or more in value of the assets of which on each day of such year consists of property described in section 955(c) (1) (B).

A foreign corporation which is a less developed country corporation for its first taxable year beginning after December 31, 1962, shall, for purposes of this section, be treated as having been a less developed country corporation for each of its taxable years beginning before January 1, 1963.

“(e) CROSS REFERENCES.—

“(1) For inclusion in gross income of an amount equal to taxes deemed paid under subsection (a)(1), see section 78.

*Intra.*

“(2) For application of subsections (a) and (b) with respect to taxes deemed paid in a prior taxable year by a United States shareholder with respect to a controlled foreign corporation, see section 960.

*Post*, p. 1020.

“(3) For reduction of credit with respect to dividends paid out of accumulated profits for years for which certain information is not furnished, see section 6038.”

*Post*, p. 1059.

(b) INCLUSION IN GROSS INCOME OF AMOUNT EQUAL TO TAXES DEEMED PAID.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

26 USC 71-77.

“SEC. 78. DIVIDENDS RECEIVED FROM CERTAIN FOREIGN CORPORATIONS BY DOMESTIC CORPORATIONS CHOOSING FOREIGN TAX CREDIT.

“If a domestic corporation chooses to have the benefits of subpart A of part III of subchapter N (relating to foreign tax credit) for any taxable year, an amount equal to the taxes deemed to be paid by such corporation under section 902(a)(1) (relating to credit for corporate stockholder in foreign corporation) or under section 960(a)(1)(C) (relating to taxes paid by foreign corporation) for such taxable year shall be treated for purposes of this title (other than section 245) as a dividend received by such domestic corporation from the foreign corporation.”

*Ante*, p. 999.

*Post*, p. 1020.

(c) DETERMINATION OF SOURCE OF DIVIDENDS RECEIVED FROM CERTAIN FOREIGN CORPORATIONS.—Section 861(a)(2)(B) (relating to dividends from foreign corporations treated as income from sources within the United States) is amended by striking out “to the extent exceeding the amount of the deduction allowable under section 245 in respect of such dividends” and inserting in lieu thereof “to the extent exceeding the amount which is 100/85ths of the amount of the deduction allowable under section 245 in respect of such dividends”.

26 USC 245;  
*Ante*, p. 977.

(d) TECHNICAL AMENDMENTS.—

(1) The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end thereof the following:

“Sec. 78. Dividends received from certain foreign corporations by domestic corporations choosing foreign tax credit.”

(2) Section 535(b)(1) and the first sentence of section 545(b)(1) are each amended by striking out “accrued during the taxable year,” and inserting in lieu thereof “accrued during the taxable year or deemed to be paid by a domestic corporation under section 902(a)(1) or 960(a)(1)(C) for the taxable year.”

26 USC 535,  
545.

(3) Section 901(d) is amended by adding the following new paragraph:

26 USC 901.

“(4) For reduction of credit for failure of a United States person to furnish certain information with respect to a foreign corporation controlled by him, see section 6038.”

(e) EFFECTIVE DATE.—The amendments made by this section shall apply—

(1) in respect of any distribution received by a domestic corporation after December 31, 1964, and

(2) in respect of any distribution received by a domestic corporation before January 1, 1965, in a taxable year of such

corporation beginning after December 31, 1962, but only to the extent that such distribution is made out of the accumulated profits of a foreign corporation for a taxable year (of such foreign corporation) beginning after December 31, 1962.

*Ante*, p. 1000.

For purposes of paragraph (2), a distribution made by a foreign corporation out of its profits which are attributable to a distribution received from a foreign subsidiary to which section 902(b) applies shall be treated as made out of the accumulated profits of a foreign corporation for a taxable year beginning before January 1, 1963, to the extent that such distribution was paid out of the accumulated profits of such foreign subsidiary for a taxable year beginning before January 1, 1963.

**SEC. 10. SEPARATE LIMITATION ON FOREIGN TAX CREDIT WITH RESPECT TO CERTAIN INTEREST INCOME.**

26 USC 904.

*Post*, p. 1031.

(a) **LIMITATION ON FOREIGN TAX CREDIT.**—Section 904 (relating to limitations on foreign tax credit) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

“(f) **APPLICATION OF SECTION IN CASE OF CERTAIN INTEREST INCOME.**—

“(1) **IN GENERAL.**—The provisions of subsections (a), (c), (d), and (e) of this section shall be applied separately with respect to—

“(A) the interest income described in paragraph (2), and

“(B) income other than the interest income described in paragraph (2).

“(2) **INTEREST INCOME TO WHICH APPLICABLE.**—For purposes of this subsection, the interest income described in this paragraph is interest other than interest—

“(A) derived from any transaction which is directly related to the active conduct of a trade or business in a foreign country or a possession of the United States,

“(B) derived in the conduct of a banking, financing, or similar business,

“(C) received from a corporation in which the taxpayer owns at least 10 percent of the voting stock, or

“(D) received on obligations acquired as a result of the disposition of a trade or business actively conducted by the taxpayer in a foreign country or possession of the United States or as a result of the disposition of stock or obligations of a corporation in which the taxpayer owned at least 10 percent of the voting stock.

“(3) **OVERALL LIMITATION NOT TO APPLY.**—The limitation provided by subsection (a) (2) shall not apply with respect to the interest income described in paragraph (2). The Secretary or his delegate shall by regulations prescribe the manner of application of subsection (e) with respect to cases in which the limitation provided by subsection (a) (2) applies with respect to income other than the interest income described in paragraph (2).

“(4) **TRANSITIONAL RULES FOR CARRYBACKS AND CARRYOVERS.**—

“(A) **CARRYBACKS TO YEARS PRIOR TO REVENUE ACT OF 1962.**—Where, under the provisions of subsection (d), taxes (i) paid or accrued to any foreign country or possession of the United States in any taxable year beginning after the date of the enactment of the Revenue Act of 1962 are deemed (ii) paid or accrued in one or more taxable years beginning on or before the date of enactment of the Revenue Act of 1962, the amount of such taxes deemed paid or accrued shall be determined without regard to the provisions of this sub-

section. To the extent the taxes paid or accrued to a foreign country or possession of the United States in any taxable year described in clause (i) are not, with the application of the preceding sentence, deemed paid or accrued in any taxable year described in clause (ii), such taxes shall, for purposes of applying subsection (d), be deemed paid or accrued in a taxable year beginning after the date of the enactment of the Revenue Act of 1962, with respect to interest income described in paragraph (2), and with respect to income other than interest income described in paragraph (2), in the same ratios as the amount of such taxes paid or accrued with respect to interest income described in paragraph (2), and the amount of such taxes paid or accrued with respect to income other than interest income described in paragraph (2), respectively, bear to the total amount of such taxes paid or accrued to such foreign country or possession of the United States.

“(B) CARRYOVERS TO YEARS AFTER REVENUE ACT OF 1962.—

Where, under the provisions of subsection (d), taxes (i) paid or accrued to any foreign country or possession of the United States in any taxable year beginning on or before the date of the enactment of the Revenue Act of 1962 are deemed (ii) paid or accrued in one or more taxable years beginning after the date of the enactment of the Revenue Act of 1962, the amount of such taxes deemed paid or accrued in any year described in clause (ii) shall, with respect to interest income described in paragraph (2), be an amount which bears the same ratio to the amount of such taxes deemed paid or accrued as the amount of the taxes paid or accrued to such foreign country or possession for such year with respect to interest income described in paragraph (2) bears to the total amount of the taxes paid or accrued to such foreign country or possession for such year; and the amount of such taxes deemed paid or accrued in any year described in clause (ii) with respect to income other than interest income described in paragraph (2) shall be an amount which bears the same ratio to the amount of such taxes deemed paid or accrued for such year as the amount of taxes paid or accrued to such foreign country or possession for such year with respect to income other than interest income described in paragraph (2) bears to the total amount of the taxes paid or accrued to such foreign country or possession for such year.”

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply with respect to taxable years beginning after the date of the enactment of this Act, but only with respect to interest resulting from transactions consummated after April 2, 1962.

**SEC. 11. EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES.**

(a) **LIMITATION ON AMOUNT AND TYPE OF INCOME EXCLUDED.**—Section 911 (relating to earned income from sources without the United States) is amended to read as follows:

26 USC 911;  
Post, p. 1005.

**“SEC. 911. EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES.**

“(a) **GENERAL RULE.**—The following items shall not be included in gross income and shall be exempt from taxation under this subtitle:

“(1) **BONA FIDE RESIDENT OF FOREIGN COUNTRY.**—In the case of an individual citizen of the United States who establishes to the satisfaction of the Secretary or his delegate that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, amounts



received from sources without the United States (except amounts paid by the United States or any agency thereof) which constitute earned income attributable to services performed during such uninterrupted period. The amount excluded under this paragraph for any taxable year shall be computed by applying the special rules contained in subsection (c).

“(2) PRESENCE IN FOREIGN COUNTRY FOR 17 MONTHS.—In the case of an individual citizen of the United States who during any period of 18 consecutive months is present in a foreign country or countries during at least 510 full days in such period, amounts received from sources without the United States (except amounts paid by the United States or any agency thereof) which constitute earned income attributable to services performed during such 18-month period. The amount excluded under this paragraph for any taxable year shall be computed by applying the special rules contained in subsection (c).

26 USC 151.

An individual shall not be allowed, as a deduction from his gross income, any deductions (other than those allowed by section 151, relating to personal exemptions) properly allocable to or chargeable against amounts excluded from gross income under this subsection.

“(b) DEFINITION OF EARNED INCOME.—For purposes of this section, the term ‘earned income’ means wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, under regulations prescribed by the Secretary or his delegate, a reasonable allowance as compensation for the personal services rendered by the taxpayer, not in excess of 30 percent of his share of the net profits of such trade or business, shall be considered as earned income.

“(c) SPECIAL RULES.—For purposes of computing the amount excludable under subsection (a), the following rules shall apply:

“(1) LIMITATIONS ON AMOUNT OF EXCLUSION.—The amount excluded from the gross income of an individual under subsection (a) for any taxable year shall not exceed an amount which shall be computed on a daily basis at an annual rate of—

“(A) except as provided in subparagraph (B), \$20,000 in the case of an individual who qualifies under subsection (a), or

“(B) \$35,000 in the case of an individual who qualifies under subsection (a) (1), but only with respect to that portion of such taxable year occurring after such individual has been a bona fide resident of a foreign country or countries for an uninterrupted period of 3 consecutive years.

“(2) ATTRIBUTION TO YEAR IN WHICH SERVICES ARE PERFORMED.—For purposes of applying paragraph (1), amounts received shall be considered received in the taxable year in which the services to which the amounts are attributable are performed.

“(3) TREATMENT OF COMMUNITY INCOME.—In applying paragraph (1) with respect to amounts received for services performed by a husband or wife which are community income under community property laws applicable to such income, the aggregate amount excludable under subsection (a) from the gross income of such husband and wife shall equal the amount which would be excludable if such amounts did not constitute such community income.

"(4) REQUIREMENT AS TO TIME OF RECEIPT.—No amount received after the close of the taxable year following the taxable year in which the services to which the amounts are attributable are performed may be excluded under subsection (a).

"(5) CERTAIN AMOUNTS NOT EXCLUDABLE.—No amount—

"(A) received as a pension or annuity, or

"(B) included in gross income by reason of section 402(b) (relating to taxability of beneficiary of non-exempt trust), section 403(c) (relating to taxability of beneficiary under a non-qualified annuity), or section 403(d) (relating to taxability of beneficiary under certain forfeitable contracts purchased by exempt organizations),

26 USC 402.

26 USC 403.

may be excluded under subsection (a).

"(6) TEST OF BONA FIDE RESIDENCE.—A statement by an individual who has earned income from sources within a foreign country to the authorities of that country that he is not a resident of that country, if he is held not subject as a resident of that country to the income tax of that country by its authorities with respect to such earnings, shall be conclusive evidence with respect to such earnings that he is not a bona fide resident of that country for purposes of subsection (a) (1).

"(7) CERTAIN NONCASH REMUNERATION.—If an individual who qualifies under subsection (a) (1) receives compensation from sources without the United States (except from the United States or any agency thereof) in the form of the right to use property or facilities, the limitation under paragraph (1) applicable with respect to such individual—

"(A) for a taxable year ending in 1963, shall be increased by an amount equal to the amount of such compensation so received during such taxable year;

"(B) for a taxable year ending in 1964, shall be increased by an amount equal to two-thirds of such compensation so received during such taxable year; and

"(C) for a taxable year ending in 1965, shall be increased by an amount equal to one-third of such compensation so received during such taxable year.

"(d) CROSS REFERENCES.—

**"For administrative and penal provisions relating to the exclusion provided for in this section, see sections 6001, 6011, 6012(c), and the other provisions of subtitle F."**

(b) COMPUTATION OF EMPLOYEES' CONTRIBUTIONS.—Section 72(f) (relating to special rules for computing employees' contributions) is amended by adding after paragraph (2) the following new sentences: "Paragraph (2) shall not apply to amounts which were contributed by the employer after December 31, 1962, and which would not have been includible in the gross income of the employee by reason of the application of section 911 if such amounts had been paid directly to the employee at the time of contribution. The preceding sentence shall not apply to amounts which were contributed by the employer, as determined under regulations prescribed by the Secretary or his delegate, to provide pension or annuity credits, to the extent such credits are attributable to services performed before January 1, 1963, and are provided pursuant to pension or annuity plan provisions in existence on March 12, 1962, and on that date applicable to such services."

26 USC 72;  
*Post*, p. 1006.

*Ante*, p. 1003.

(c) EFFECTIVE DATES.—

(1) AMENDMENT TO SECTION 911.—The amendment made by subsection (a) shall apply to taxable years ending after September 4, 1962, but only with respect to amounts—

(A) received after March 12, 1962, which are attributable to services performed after December 31, 1962, or

(B) received after December 31, 1962, which are attributable to services performed on or before December 31, 1962, unless on March 12, 1962, there existed a right (whether forfeitable or nonforfeitable) to receive such amounts.

*Ante*, p. 1005.

(2) AMENDMENT TO SECTION 72(f).—The amendment made by subsection (b) shall apply to taxable years ending after December 31, 1962.

## SEC. 12. CONTROLLED FOREIGN CORPORATIONS.

26 USC 901 et  
seq.

(a) IN GENERAL.—Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by adding at the end thereof the following new subparts:

### “Subpart F—Controlled Foreign Corporations

“Sec. 951. Amounts included in gross income of United States shareholders.

“Sec. 952. Subpart F income defined.

“Sec. 953. Income from insurance of United States risks.

“Sec. 954. Foreign base company income.

“Sec. 955. Withdrawal of previously excluded subpart F income from qualified investment.

“Sec. 956. Investment of earnings in United States property.

“Sec. 957. Controlled foreign corporations; United States persons.

“Sec. 958. Rules for determining stock ownership.

“Sec. 959. Exclusion from gross income of previously taxed earnings and profits.

“Sec. 960. Special rules for foreign tax credit.

“Sec. 961. Adjustments to basis of stock in controlled foreign corporations and of other property.

“Sec. 962. Election by individuals to be subject to tax at corporate rates.

“Sec. 963. Receipt of minimum distributions by domestic corporations.

“Sec. 964. Miscellaneous provisions.

### “SEC. 951. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

“(a) AMOUNTS INCLUDED.—

“(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation for an uninterrupted period of 30 days or more during any taxable year beginning after December 31, 1962, every person who is a United States shareholder (as defined in subsection (b)) of such corporation and who owns (within the meaning of section 958(a)) stock in such corporation on the last day, in such year, on which such corporation is a controlled foreign corporation shall include in his gross income, for his taxable year in which or with which such taxable year of the corporation ends—

*Post*, p. 1018.

“(A) the sum of—

*Post*, p. 1023.

“(i) except as provided in section 963, his pro rata share (determined under paragraph (2)) of the corporation's subpart F income for such year, and

“(ii) his pro rata share (determined under section 955(a)(3)) of the corporation's previously excluded subpart F income withdrawn from investment in less developed countries for such year; and

*Post*, p. 1016.

“(B) his pro rata share (determined under section 956(a)(2)) of the corporation's increase in earnings invested in United States property for such year (but only to the extent not excluded from gross income under section 959(a)(2)).

*Post*, p. 1019.

“(2) PRO RATA SHARE OF SUBPART F INCOME.—The pro rata share referred to in paragraph (1)(A)(i) in the case of any United States shareholder is the amount—

“(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 958(a)) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its shareholders an amount (i) which bears the same ratio to its subpart F income for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

*Post*, p. 1018.

“(B) the amount of distributions received by any other person during such year as a dividend with respect to such stock, but only to the extent of the dividend which would have been received if the distribution by the corporation had been the amount (i) which bears the same ratio to the subpart F income of such corporation for the taxable year, as (ii) the part of such year during which such shareholder did not own (within the meaning of section 958(a)) such stock bears to the entire year.

“(3) LIMITATION ON PRO RATA SHARE OF PREVIOUSLY EXCLUDED SUBPART F INCOME WITHDRAWN FROM INVESTMENT.—For purposes of paragraph (1) (A) (ii), the pro rata share of any United States shareholder of the previously excluded subpart F income of a controlled foreign corporation withdrawn from investment in less developed countries shall not exceed an amount (A) which bears the same ratio to his pro rata share of such income withdrawn (as determined under section 955(a)(3)) for the taxable year, as (B) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year.

*Post*, p. 1013.

“(4) LIMITATION ON PRO RATA SHARE OF INVESTMENT IN UNITED STATES PROPERTY.—For purposes of paragraph (1) (B), the pro rata share of any United States shareholder in the increase of the earnings of a controlled foreign corporation invested in United States property shall not exceed an amount (A) which bears the same ratio to his pro rata share of such increase (as determined under section 956(a)(2)) for the taxable year, as (B) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year.

“(b) UNITED STATES SHAREHOLDER DEFINED.—For purposes of this subpart, the term ‘United States shareholder’ means, with respect to any foreign corporation, a United States person (as defined in section 957(d)) who owns (within the meaning of section 958(a)), or is considered as owning by applying the rules of ownership of section 958(b), 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such foreign corporation.

“(c) COORDINATION WITH ELECTION OF A FOREIGN INVESTMENT COMPANY TO DISTRIBUTE INCOME.—A United States shareholder who, for his taxable year, is a qualified shareholder (within the meaning of section 1247(c)) of a foreign investment company with respect to which an election under section 1247 is in effect shall not be required to include in gross income, for such taxable year, any amount under subsection (a) with respect to such company.

*Post*, p. 1039.

“(d) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—A United States shareholder who, for his taxable year, is subject to tax under section 551(b) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation shall not be required to include in gross income, for such taxable year, any amount under subsection (a) with respect to such company.

26 USC 551.

**"SEC. 952. SUBPART F INCOME DEFINED.**

"(a) **IN GENERAL.**—For purposes of this subpart, the term 'subpart F income' means, in the case of any controlled foreign corporation, the sum of—

*Infra.*

"(1) the income derived from the insurance of United States risks (as determined under section 953), and

"(2) the foreign base company income (as determined under section 954).

"(b) **EXCLUSION OF UNITED STATES INCOME.**—Subpart F income does not include any item includible in gross income under this chapter (other than this subpart) as income derived from sources within the United States of a foreign corporation engaged in trade or business in the United States.

"(c) **LIMITATION.**—For purposes of subsection (a), the subpart F income of any controlled foreign corporation for any taxable year shall not exceed the earnings and profits of such corporation for such year reduced by the amount (if any) by which—

"(1) an amount equal to—

"(A) the sum of the deficits in earnings and profits for prior taxable years beginning after December 31, 1962, plus

"(B) the sum of the deficits in earnings and profits for taxable years beginning after December 31, 1959, and before January 1, 1963 (reduced by the sum of the earnings and profits for such taxable years); exceeds

"(2) an amount equal to the sum of the earnings and profits for prior taxable years beginning after December 31, 1962, allocated to other earnings and profits under section 959(c)(3).

*Post, p. 1020.*

For purposes of the preceding sentence, any deficit in earnings and profits for any prior taxable year shall be taken into account under paragraph (1) for any taxable year only to the extent it has not been taken into account under such paragraph for any preceding taxable year to reduce earnings and profits of such preceding year.

"(d) **SPECIAL RULE IN CASE OF INDIRECT OWNERSHIP.**—For purposes of subsection (c), if—

"(1) a United States shareholder owns (within the meaning of section 958(a)) stock of a foreign corporation, and by reason of such ownership owns (within the meaning of such section) stock of any other foreign corporation, and

"(2) any of such foreign corporations has a deficit in earnings and profits for the taxable year,

then the earnings and profits for the taxable year of each such foreign corporation which is a controlled foreign corporation shall, with respect to such United States shareholder, be properly reduced to take into account any deficit described in paragraph (2) in such manner as the Secretary or his delegate shall prescribe by regulations.

**"SEC. 953. INCOME FROM INSURANCE OF UNITED STATES RISKS.**

"(a) **GENERAL RULE.**—For purposes of section 952(a)(1), the term 'income derived from the insurance of United States risks' means that income which—

"(1) is attributable to the reinsurance or the issuing of any insurance or annuity contract—

"(A) in connection with property in, or liability arising out of activity in, or in connection with the lives or health of residents of, the United States, or

"(B) in connection with risks not included in subparagraph (A) as the result of any arrangement whereby another corporation receives a substantially equal amount of premiums or other consideration in respect to any reinsurance or the issuing of any insurance or annuity contract in connection

with property in, or liability arising out of activity in, or in connection with the lives or health of residents of, the United States, and

“(2) would (subject to the modifications provided by paragraphs (1), (2), and (3) of subsection (b)) be taxed under subchapter L of this chapter if such income were the income of a domestic insurance corporation.

This section shall apply only in the case of a controlled foreign corporation which receives, during any taxable year, premiums or other consideration in respect of the reinsurance, and the issuing, of insurance and annuity contracts described in paragraph (1) in excess of 5 percent of the total of premiums and other consideration received during such taxable year in respect of all reinsurance and issuing of insurance and annuity contracts.

“(b) SPECIAL RULES.—For purposes of subsection (a)—

“(1) In the application of part I of subchapter L, life insurance company taxable income is the gain from operations as defined in section 809(b).

26 USC 809.

“(2) A corporation which would, if it were a domestic insurance corporation, be taxable under part II of subchapter L shall apply subsection (a) as if it were taxable under part III of subchapter L.

26 USC 821-826;  
Ante, pp. 114,  
989-999.

“(3) The following provisions of subchapter L shall not apply:

“(A) Section 809(d)(4) (operations loss deduction).

“(B) Section 809(d)(5) (certain nonparticipating contracts).

“(C) Section 809(d)(6) (group life, accident, and health insurance).

“(D) Section 809(d)(10) (small business deduction).

“(E) Section 817(b) (gain on property held on December 31, 1958, and certain substituted property acquired after 1958).

“(F) Section 832(b)(5) (certain capital losses).

“(4) The items referred to in—

“(A) section 809(c)(1) (relating to gross amount of premiums and other considerations),

“(B) section 809(c)(2) (relating to net decrease in reserves),

“(C) section 809(d)(2) (relating to net increase in reserves), and

“(D) section 832(b)(4) (relating to premiums earned on insurance contracts),

shall be taken into account only to the extent they are in respect of any reinsurance or the issuing of any insurance or annuity contract described in subsection (a)(1).

“(5) All items of income, expenses, losses, and deductions (other than those taken into account under paragraph (4)) shall be properly allocated or apportioned under regulations prescribed by the Secretary or his delegate.

#### “SEC. 954. FOREIGN BASE COMPANY INCOME.

“(a) FOREIGN BASE COMPANY INCOME.—For purposes of section 952(a)(2), the term ‘foreign base company income’ means for any taxable year the sum of—

“(1) the foreign personal holding company income for the taxable year (determined under subsection (c) and reduced as provided in subsection (b)(5)),

“(2) the foreign base company sales income for the taxable year (determined under subsection (d) and reduced as provided in subsection (b)(5)), and

“(3) the foreign base company services income for the taxable year (determined under subsection (e) and reduced as provided in subsection (b) (5)).

“(b) EXCLUSIONS AND SPECIAL RULES.—

“(1) EXCLUSION OF CERTAIN DIVIDENDS, INTEREST, AND GAINS FROM QUALIFIED INVESTMENTS IN LESS DEVELOPED COUNTRIES.—For purposes of subsection (a), foreign base company income does not include—

“(A) dividends and interest received during the taxable year from investments which at the time of receipt are qualified investments in less developed countries (as defined in section 955(b)), or

“(B) if the gains from the sale or exchange during the taxable year of investments which at the time of sale or exchange are qualified investments in less developed countries exceed the losses from the sale or exchange during the taxable year of such qualified investments, the amount by which such gains exceed such losses.

The preceding sentence shall apply only to the extent that the sum of the dividends and interest described in subparagraph (A) and the amount described in subparagraph (B) does not exceed the increase for the taxable year in qualified investments in less developed countries of the controlled foreign corporation (as determined under subsection (f)).

“(2) EXCLUSION OF CERTAIN SHIPPING INCOME.—For purposes of subsection (a), foreign base company income does not include income derived from, or in connection with, the use (or hiring or leasing for use) of any aircraft or vessel in foreign commerce, or the performance of services directly related to the use of any such aircraft or vessel.

“(3) SPECIAL RULE WHERE FOREIGN BASE COMPANY INCOME IS LESS THAN 30 PERCENT OR MORE THAN 70 PERCENT OF GROSS INCOME.—For purposes of subsection (a)—

“(A) If the foreign base company income (determined without regard to paragraphs (1) and (5)) is less than 30 percent of gross income, no part of the gross income of the taxable year shall be treated as foreign base company income.

“(B) If the foreign base company income (determined without regard to paragraphs (1) and (5)) exceeds 70 percent of gross income, the entire gross income of the taxable year shall, subject to the provisions of paragraphs (1), (2), (4), and (5), be treated as foreign base company income.

“(4) EXCEPTION FOR FOREIGN CORPORATIONS NOT AVAILED OF TO REDUCE TAXES.—For purposes of subsection (a), foreign base company income does not include any item of income received by a controlled foreign corporation if it is established to the satisfaction of the Secretary or his delegate with respect to such item that the creation or organization of the controlled foreign corporation receiving such item under the laws of the foreign country in which it is incorporated does not have the effect of substantial reduction of income, war profits, or excess profits taxes or similar taxes.

“(5) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—For purposes of subsection (a), the foreign personal holding company income, the foreign base company sales income, and the foreign base company services income shall be reduced, under regulations prescribed by the Secretary or his delegate, so as to take into account deductions (including taxes) properly allocable to such income.

“(c) FOREIGN PERSONAL HOLDING COMPANY INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a) (1), the term ‘foreign personal holding company income’ means the foreign personal holding company income (as defined in section 553), modified and adjusted as provided in paragraphs (2), (3), and (4).

26 USC 553.

“(2) RENTS INCLUDED WITHOUT REGARD TO 50 PERCENT LIMITATION.—For purposes of paragraph (1), all rents shall be included in foreign personal holding company income without regard to whether or not such rents constitute 50 percent or more of gross income.

“(3) CERTAIN INCOME DERIVED IN ACTIVE CONDUCT OF TRADE OR BUSINESS.—For purposes of paragraph (1), foreign personal holding company income does not include—

“(A) rents and royalties which are derived in the active conduct of a trade or business and which are received from a person other than a related person (within the meaning of subsection (d) (3)), or

“(B) dividends, interest, and gains from the sale or exchange of stock or securities derived in the conduct of a banking, financing, or similar business, or derived from the investments made by an insurance company of its unearned premiums or reserves ordinary and necessary for the proper conduct of its insurance business, and which are received from a person other than a related person (within the meaning of subsection (d) (3)).

“(4) CERTAIN INCOME RECEIVED FROM RELATED PERSONS.—For purposes of paragraph (1), foreign personal holding company income does not include—

“(A) dividends and interest received from a related person which (i) is created or organized under the laws of the same foreign country under the laws of which the controlled foreign corporation is created or organized, and (ii) has a substantial part of its assets used in its trade or business located in such same foreign country;

“(B) interest received in the conduct of a banking, financing, or similar business from a related person engaged in the conduct of a banking, financing, or similar business if the businesses of the recipient and the payor are predominantly with persons other than related persons; and

“(C) rents, royalties, and similar amounts received from a related person for the use of, or the privilege of using, property within the country under the laws of which the controlled foreign corporation is created or organized.

“(d) FOREIGN BASE COMPANY SALES INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a) (2), the term ‘foreign base company sales income’ means income (whether in the form of profits, commissions, fees, or otherwise) derived in connection with the purchase of personal property from a related person and its sale to any person, the sale of personal property to any person on behalf of a related person, the purchase of personal property from any person and its sale to a related person, or the purchase of personal property from any person on behalf of a related person where—

“(A) the property which is purchased (or in the case of property sold on behalf of a related person, the property which is sold) is manufactured, produced, grown, or extracted outside the country under the laws of which the controlled foreign corporation is created or organized, and



“(B) the property is sold for use, consumption, or disposition outside such foreign country, or, in the case of property purchased on behalf of a related person, is purchased for use, consumption, or disposition outside such foreign country.

“(2) CERTAIN BRANCH INCOME.—For purposes of determining foreign base company sales income in situations in which the carrying on of activities by a controlled foreign corporation through a branch or similar establishment outside the country of incorporation of the controlled foreign corporation has substantially the same effect as if such branch or similar establishment were a wholly owned subsidiary corporation deriving such income, under regulations prescribed by the Secretary or his delegate the income attributable to the carrying on of such activities of such branch or similar establishment shall be treated as income derived by a wholly owned subsidiary of the controlled foreign corporation and shall constitute foreign base company sales income of the controlled foreign corporation.

“(3) RELATED PERSON DEFINED.—For purposes of this section, a person is a related person with respect to a controlled foreign corporation, if—

“(A) such person is an individual, partnership, trust, or estate which controls the controlled foreign corporation;

“(B) such person is a corporation which controls, or is controlled by, the controlled foreign corporation; or

“(C) such person is a corporation which is controlled by the same person or persons which control the controlled foreign corporation.

For purposes of the preceding sentence, control means the ownership, directly or indirectly, of stock possessing more than 50 percent of the total combined voting power of all classes of stock entitled to vote. For purposes of this paragraph, the rules for determining ownership of stock prescribed by section 958 shall apply.

“(e) FOREIGN BASE COMPANY SERVICES INCOME.—For purposes of subsection (a)(3), the term ‘foreign base company services income’ means income (whether in the form of compensation, commissions, fees, or otherwise) derived in connection with the performance of technical, managerial, engineering, architectural, scientific, skilled, industrial, commercial, or like services which—

“(1) are performed for or on behalf of any related person (within the meaning of subsection (d)(3)), and

“(2) are performed outside the country under the laws of which the controlled foreign corporation is created or organized. The preceding sentence shall not apply to income derived in connection with the performance of services which are directly related to the sale or exchange by the controlled foreign corporation of property manufactured, produced, grown, or extracted by it and which are performed prior to the time of the sale or exchange, or of services directly related to an offer or effort to sell or exchange such property.

“(f) INCREASE IN QUALIFIED INVESTMENTS IN LESS DEVELOPED COUNTRIES.—For purposes of subsection (b)(1), the increase for any taxable year in qualified investments in less developed countries of any controlled foreign corporation is the amount by which—

“(1) the qualified investments in less developed countries (as defined in section 955(b)) of the controlled foreign corporation at the close of the taxable year, exceeds

“(2) the qualified investments in less developed countries (as so defined) of the controlled foreign corporation at the close of the preceding taxable year.

**“SEC. 955. WITHDRAWAL OF PREVIOUSLY EXCLUDED SUBPART F INCOME FROM QUALIFIED INVESTMENT.**

**“(a) GENERAL RULES.—**

“(1) **AMOUNT WITHDRAWN.**—For purposes of this subpart, the amount of previously excluded subpart F income of any controlled foreign corporation withdrawn from investment in less developed countries for any taxable year is an amount equal to the decrease in the amount of qualified investments in less developed countries of the controlled foreign corporation for such year, but only to the extent that the amount of such decrease does not exceed an amount equal to—

“(A) the sum of the amounts excluded under section 954

(b)(1) from the foreign base company income of such corporation for all prior taxable years, reduced by

“(B) the sum of the amounts of previously excluded subpart F income withdrawn from investment in less developed countries of such corporation determined under this subsection for all prior taxable years.

“(2) **DECREASE IN QUALIFIED INVESTMENTS.**—For purposes of paragraph (1), the amount of the decrease in qualified investments in less developed countries of any controlled foreign corporation for any taxable year is the amount by which—

“(A) the amount of qualified investments in less developed countries of the controlled foreign corporation at the close of the preceding taxable year, exceeds

“(B) the amount of qualified investments in less developed countries of the controlled foreign corporation at the close of the taxable year,

to the extent the amount of such decrease does not exceed the sum of the earnings and profits for the taxable year and the earnings and profits accumulated for prior taxable years beginning after December 31, 1962. For purposes of this paragraph, if qualified investments in less developed countries are disposed of by the controlled foreign corporation during the taxable year, the amount of the decrease in qualified investments in less developed countries of such controlled foreign corporation for such year shall be reduced by an amount equal to the amount (if any) by which the losses on such dispositions during such year exceed the gains on such dispositions during such year.

“(3) **PRO RATA SHARE OF AMOUNT WITHDRAWN.**—In the case of any United States shareholder, the pro rata share of the amount of previously excluded subpart F income of any controlled foreign corporation withdrawn from investment in less developed countries for any taxable year is his pro rata share of the amount determined under paragraph (1).

**“(b) QUALIFIED INVESTMENTS IN LESS DEVELOPED COUNTRIES.—**

“(1) **IN GENERAL.**—For purposes of this subpart, the term ‘qualified investments in less developed countries’ means property which is—

“(A) stock of a less developed country corporation held by the controlled foreign corporation, but only if the controlled foreign corporation owns 10 percent or more of the total combined voting power of all classes of stock of such less developed country corporation;

“(B) an obligation of a less developed country corporation held by the controlled foreign corporation, which, at the

time of its acquisition by the controlled foreign corporation, has a maturity of one year or more, but only if the controlled foreign corporation owns 10 percent or more of the total combined voting power of all classes of stock of such less developed country corporation; or

“(C) an obligation of a less developed country.

“(2) COUNTRY CEASES TO BE LESS DEVELOPED COUNTRY.—For purposes of this subpart, property which would be a qualified investment in less developed countries, but for the fact that a foreign country has, after the acquisition of such property by the controlled foreign corporation, ceased to be a less developed country, shall be treated as a qualified investment in less developed countries.

“(3) SPECIAL RULE.—For purposes of this subpart, a United States shareholder of a controlled foreign corporation may, under regulations prescribed by the Secretary or his delegate, make the determinations under subsection (a) (2) of this section and under subsection (f) of section 954 as of the close of the years following the years referred to in such subsections, or as of the close of such longer period of time as such regulations may permit, in lieu of on the last day of such years. Any election under this paragraph made with respect to any taxable year shall apply to such year and to all succeeding taxable years unless the Secretary or his delegate consents to the revocation of such election.

“(4) EXCEPTION.—For purposes of this subpart, property shall not constitute qualified investments in less developed countries if such property is disposed of within 6 months after the date of its acquisition.

“(5) AMOUNT ATTRIBUTABLE TO PROPERTY.—The amount taken into account under this subpart with respect to any property described in paragraph (1) or (2) shall be its adjusted basis, reduced by any liability to which such property is subject.

“(c) LESS DEVELOPED COUNTRY CORPORATIONS.—

“(1) IN GENERAL.—For purposes of this subpart, the term ‘less developed country corporation’ means a foreign corporation which during the taxable year is engaged in the active conduct of one or more trades or businesses and—

“(A) 80 percent or more of the gross income of which for the taxable year is derived from sources within less developed countries; and

“(B) 80 percent or more in value of the assets of which on each day of the taxable year consists of—

“(i) property used in such trades or businesses and located in less developed countries,

“(ii) money, and deposits with persons carrying on the banking business,

“(iii) stock, and obligations which, at the time of their acquisition, have a maturity of one year or more, of any other less developed country corporation,

“(iv) an obligation of a less developed country,

“(v) an investment which is required because of restrictions imposed by a less developed country, and

“(vi) property described in section 956(b) (2).

For purposes of subparagraph (A), the determination as to whether income is derived from sources within less developed countries shall be made under regulations prescribed by the Secretary or his delegate.

“(2) SHIPPING COMPANIES.—For purposes of this subpart, the term ‘less developed country corporation’ also means a foreign corporation—

*Ante*, p. 1012.

*Post*, p. 1016.

“(A) 80 percent or more of the gross income of which for the taxable year consists of—

“(i) gross income derived from, or in connection with, the using (or hiring or leasing for use) in foreign commerce of aircraft or vessels registered under the laws of a less developed country, or from, or in connection with, the performance of services directly related to use of such aircraft or vessels, or from the sale or exchange of such aircraft or vessels, and

“(ii) dividends and interest received from foreign corporations which are less developed country corporations within the meaning of this paragraph and 10 percent or more of the total combined voting power of all classes of stock of which are owned by the foreign corporation, and gain from the sale or exchange of stock or obligations of foreign corporations which are such less developed country corporations, and

“(B) 80 percent or more of the assets of which on each day of the taxable year consists of (i) assets used, or held for use, for or in connection with the production of income described in subparagraph (A), and (ii) property described in section 956(b) (2).

*Post*, p. 1016.

“(3) LESS DEVELOPED COUNTRY DEFINED.—For purposes of this subpart, the term ‘less developed country’ means (in respect of any foreign corporation) any foreign country (other than an area within the Sino-Soviet bloc) or any possession of the United States with respect to which, on the first day of the taxable year, there is in effect an Executive order by the President of the United States designating such country or possession as an economically less developed country for purposes of this subpart. For purposes of the preceding sentence, an overseas territory, department, province, or possession may be treated as a separate country. No designation shall be made under this paragraph with respect to—

|                            |                       |
|----------------------------|-----------------------|
| Australia                  | Liechtenstein         |
| Austria                    | Luxembourg            |
| Belgium                    | Monaco                |
| Canada                     | Netherlands           |
| Denmark                    | New Zealand           |
| France                     | Norway                |
| Germany (Federal Republic) | Union of South Africa |
| Hong Kong                  | San Marino            |
| Italy                      | Sweden                |
| Japan                      | Switzerland           |
|                            | United Kingdom        |

After the President has designated any foreign country or any possession of the United States as an economically less developed country for purposes of this subpart, he shall not terminate such designation (either by issuing an Executive order for that purpose or by issuing an Executive order under the first sentence of this paragraph which has the effect of terminating such designation) unless, at least 30 days prior to such termination, he has notified the Senate and the House of Representatives of his intention to terminate such designation.

**“SEC. 956. INVESTMENT OF EARNINGS IN UNITED STATES PROPERTY.**

“(a) GENERAL RULES.—For purposes of this subpart—

“(1) AMOUNT OF INVESTMENT.—The amount of earnings of a controlled foreign corporation invested in United States property at the close of any taxable year is the aggregate amount of such property held, directly or indirectly, by the controlled foreign

corporation at the close of the taxable year, to the extent such amount would have constituted a dividend (determined after the application of section 955(a)) if it had been distributed.

*Ante*, p. 1013.

“(2) PRO RATA SHARE OF INCREASE FOR YEAR.—In the case of any United States shareholder, the pro rata share of the increase for any taxable year in the earnings of a controlled foreign corporation invested in United States property is the amount determined by subtracting his pro rata share of—

“(A) the amount determined under paragraph (1) for the close of the preceding taxable year, reduced by amounts paid during such preceding taxable year to which section 959(c)(1) applies, from

*Post*, p. 1019.

“(B) the amount determined under paragraph (1) for the close of the taxable year.

The determinations under subparagraphs (A) and (B) shall be made on the basis of stock owned (within the meaning of section 958(a)) by such United States shareholder on the last day during the taxable year on which the foreign corporation is a controlled foreign corporation.

*Post*, p. 1018.

“(3) AMOUNT ATTRIBUTABLE TO PROPERTY.—The amount taken into account under paragraph (1) or (2) with respect to any property shall be its adjusted basis, reduced by any liability to which the property is subject.

(b) UNITED STATES PROPERTY DEFINED.—

“(1) IN GENERAL.—For purposes of subsection (a), the term ‘United States property’ means any property acquired after December 31, 1962, which is—

“(A) tangible property located in the United States;

“(B) stock of a domestic corporation;

“(C) an obligation of a United States person; or

“(D) any right to the use in the United States of—

“(i) a patent or copyright,

“(ii) an invention, model, or design (whether or not patented),

“(iii) a secret formula or process, or

“(iv) any other similar property right,

which is acquired or developed by the controlled foreign corporation for use in the United States.

“(2) EXCEPTIONS.—For purposes of subsection (a), the term ‘United States property’ does not include—

“(A) obligations of the United States, money, or deposits with persons carrying on the banking business;

“(B) property located in the United States which is purchased in the United States for export to, or use in, foreign countries;

“(C) any obligation of a United States person arising in connection with the sale or processing of property if the amount of such obligation outstanding at no time during the taxable year exceeds the amount which would be ordinary and necessary to carry on the trade or business of both the other party to the sale or processing transaction and the United States person had the sale or processing transaction been made between unrelated persons;

“(D) any aircraft, railroad rolling stock, vessel, motor vehicle, or container used in the transportation of persons or property in foreign commerce and used predominantly outside the United States;

“(E) an amount of assets of an insurance company equivalent to the unearned premiums or reserves ordinary and necessary for the proper conduct of its insurance business

attributable to contracts which are not contracts described in section 953(a)(1); and

*Ante*, p. 1008.

“(F) an amount of assets of the controlled foreign corporation equal to the earnings and profits accumulated after December 31, 1962, and excluded from subpart F income under section 952(b).”

*Ante*, p. 1008.

“(c) PLEDGES AND GUARANTEES.—For purposes of subsection (a), a controlled foreign corporation shall, under regulations prescribed by the Secretary or his delegate, be considered as holding an obligation of a United States person if such controlled foreign corporation is a pledgor or guarantor of such obligation.

**“SEC. 957. CONTROLLED FOREIGN CORPORATIONS; UNITED STATES PERSONS.**

“(a) GENERAL RULE.—For purposes of this subpart, the term ‘controlled foreign corporation’ means any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock entitled to vote is owned (within the meaning of section 958(a)), or is considered as owned by applying the rules of ownership of section 958(b), by United States shareholders on any day during the taxable year of such foreign corporation.

*Post*, p. 1018.

“(b) SPECIAL RULE FOR INSURANCE.—For purposes only of taking into account income described in section 953(a) (relating to income derived from insurance of United States risks), the term ‘controlled foreign corporation’ includes not only a foreign corporation as defined by subsection (a) but also one of which more than 25 percent of the total combined voting power of all classes of stock is owned (within the meaning of section 958(a)), or is considered as owned by applying the rules of ownership of section 958(b), by United States shareholders on any day during the taxable year of such corporation, if the gross amount of premiums or other consideration in respect of the reinsurance or the issuing of insurance or annuity contracts described in section 953(a)(1) exceeds 75 percent of the gross amount of all premiums or other consideration in respect of all risks.

“(c) CORPORATIONS ORGANIZED IN UNITED STATES POSSESSIONS.—For purposes of this subpart, the term ‘controlled foreign corporation’ does not include any corporation created or organized in the Commonwealth of Puerto Rico or a possession of the United States or under the laws of the Commonwealth of Puerto Rico or a possession of the United States if—

“(1) 80 percent or more of the gross income of such corporation for the 3-year period immediately preceding the close of the taxable year (or for such part of such period immediately preceding the close of such taxable year as may be applicable) was derived from sources within the Commonwealth of Puerto Rico or a possession of the United States; and

“(2) 50 percent or more of the gross income of such corporation for such period, or for such part thereof, was derived from the active conduct within the Commonwealth of Puerto Rico or a possession of the United States of any trades or businesses constituting the manufacture or processing of goods, wares, merchandise, or other tangible personal property; the processing of agricultural or horticultural products or commodities (including but not limited to livestock, poultry, or fur-bearing animals); the catching or taking of any kind of fish or the mining or extraction of natural resources, or any manufacturing or processing of any products or commodities obtained from such activities; or the ownership or operation of hotels.

For purposes of paragraphs (1) and (2), the determination as to whether income was derived from sources within the Commonwealth

of Puerto Rico or a possession of the United States and was derived from the active conduct of a described trade or business within the Commonwealth of Puerto Rico or a possession of the United States shall be made under regulations prescribed by the Secretary or his delegate.

“(d) UNITED STATES PERSON.—For purposes of this subpart, the term ‘United States person’ has the meaning assigned to it by section 7701(a)(30) except that—

*Ante*, p. 988.

“(1) with respect to a corporation organized under the laws of the Commonwealth of Puerto Rico, such term does not include an individual who is a bona fide resident of Puerto Rico, if a dividend received by such individual during the taxable year from such corporation would, for purposes of section 933(1), be treated as income derived from sources within Puerto Rico,

26 USC 933.

“(2) with respect to a corporation organized under the laws of the Virgin Islands, such term does not include an individual who is a bona fide resident of the Virgin Islands and whose income tax obligation under this subtitle for the taxable year is satisfied pursuant to section 28(a) of the Revised Organic Act of the Virgin Islands, approved July 22, 1954 (48 U.S.C. 1642), by paying tax on income derived from all sources both within and outside the Virgin Islands into the treasury of the Virgin Islands, and

68 Stat. 508.

“(3) with respect to a corporation organized under the laws of any other possession of the United States, such term does not include an individual who is a bona fide resident of any such other possession and whose income derived from sources within possessions of the United States is not, by reason of section 931(a), includible in gross income under this subtitle for the taxable year.

#### “SEC. 958. RULES FOR DETERMINING STOCK OWNERSHIP.

“(a) DIRECT AND INDIRECT OWNERSHIP.—

“(1) GENERAL RULE.—For purposes of this subpart (other than sections 955(b)(1)(A) and (B), 955(c)(2)(A)(ii), and 960(a)(1)), stock owned means—

*Ante*, p. 1013.

*Post*, p. 1020.

“(A) stock owned directly, and

“(B) stock owned with the application of paragraph (2).

“(2) STOCK OWNERSHIP THROUGH FOREIGN ENTITIES.—For purposes of subparagraph (B) of paragraph (1), stock owned, directly or indirectly, by or for a foreign corporation, foreign partnership, or foreign trust or foreign estate (within the meaning of section 7701(a)(31)) shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries. Stock considered to be owned by a person by reason of the application of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person.

*Ante*, p. 988.

“(3) SPECIAL RULE FOR MUTUAL INSURANCE COMPANIES.—For purposes of applying paragraph (1) in the case of a foreign mutual insurance company, the term ‘stock’ shall include any certificate entitling the holder to voting power in the corporation.

“(b) CONSTRUCTIVE OWNERSHIP.—For purposes of sections 951(b), 954(d)(3), and 957, section 318(a) (relating to constructive ownership of stock) shall apply to the extent that the effect is to treat any United States person as a United States shareholder within the meaning of section 951(b), to treat a person as a related person within the meaning of section 954(d)(3), or to treat a foreign corporation as a controlled foreign corporation under section 957, except that—

26 USC 318.

“(1) In applying paragraph (1)(A) of section 318(a), stock owned by a nonresident alien individual (other than a foreign trust or foreign estate) shall not be considered as owned by a citizen or by a resident alien individual.

"(2) In applying the first sentence of subparagraphs (A) and (B), and in applying clause (i) of subparagraph (C), of section 318(a)(2), if a partnership, estate, trust, or corporation owns, directly or indirectly, more than 50 percent of the total combined voting power of all classes of stock entitled to vote of a corporation, it shall be considered as owning all the stock entitled to vote.

26 USC 318.

"(3) Stock owned by a partnership, estate, trust, or corporation, by reason of the application of the second sentence of subparagraphs (A) and (B), and the application of clause (ii) of subparagraph (C), of section 318(a)(2), shall not be considered as owned by such partnership, estate, trust, or corporation, for purposes of applying the first sentence of subparagraphs (A) and (B), and in applying clause (i) of subparagraph (C), of section 318(a)(2).

"(4) In applying clause (i) of subparagraph (C) of section 318(a)(2), the phrase '10 percent' shall be substituted for the phrase '50 percent' used in subparagraph (C).

"(5) The second sentence of subparagraphs (A) and (B), and clause (ii) of subparagraph (C), of section 318(a)(2) shall not be applied so as to consider a United States person as owning stock which is owned by a person who is not a United States person.

**"SEC. 959. EXCLUSION FROM GROSS INCOME OF PREVIOUSLY TAXED EARNINGS AND PROFITS.**

"(a) **EXCLUSION FROM GROSS INCOME OF UNITED STATES PERSONS.**—For purposes of this chapter, the earnings and profits for a taxable year of a foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 951(a) shall not, when—

"(1) such amounts are distributed to, or

"(2) such amounts would, but for this subsection, be included under section 951(a)(1)(B) in the gross income of, such shareholder (or any other United States person who acquires from any person any portion of the interest of such United States shareholder in such foreign corporation, but only to the extent of such portion, and subject to such proof of the identity of such interest as the Secretary or his delegate may by regulations prescribe) directly, or indirectly through a chain of ownership described under section 958(a), be again included in the gross income of such United States shareholder (or of such other United States person).

*Ante*, p. 1006.

"(b) **EXCLUSION FROM GROSS INCOME OF CERTAIN FOREIGN SUBSIDIARIES.**—For purposes of section 951(a), the earnings and profits for a taxable year of a controlled foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 951(a), shall not, when distributed through a chain of ownership described under section 958(a), be also included in the gross income of another controlled foreign corporation in such chain for purposes of the application of section 951(a) to such other controlled foreign corporation with respect to such United States shareholder (or to any other United States shareholder who acquires from any person any portion of the interest of such United States shareholder in the controlled foreign corporation, but only to the extent of such portion, and subject to such proof of identity of such interest as the Secretary or his delegate may prescribe by regulations).

"(c) **ALLOCATION OF DISTRIBUTIONS.**—For purposes of subsections (a) and (b), section 316(a) shall be applied by applying paragraph (2) thereof, and then paragraph (1) thereof—

26 USC 316.

"(1) first to earnings and profits attributable to amounts included in gross income under section 951(a)(1)(B) (or which



would have been included except for subsection (a)(2) of this section),

*Ante*, p. 1006.

“(2) then to earnings and profits attributable to amounts included in gross income under section 951(a)(1)(A) (but reduced by amounts not included under section 951(a)(1)(B) because of the exclusion in subsection (a)(2) of this section), and

“(3) then to other earnings and profits.

*Intra*.

“(d) DISTRIBUTIONS EXCLUDED FROM GROSS INCOME NOT TO BE TREATED AS DIVIDENDS.—Except as provided in section 960(a)(3), any distribution excluded from gross income under subsection (a) shall be treated, for purposes of this chapter, as a distribution which is not a dividend.

“SEC. 960. SPECIAL RULES FOR FOREIGN TAX CREDIT.

“(a) TAXES PAID BY A FOREIGN CORPORATION.—

“(1) GENERAL RULE.—For purposes of subpart A of this part, if there is included, under section 951(a), in the gross income of a domestic corporation any amount attributable to earnings and profits—

“(A) of a foreign corporation at least 10 percent of the voting stock of which is owned by such domestic corporation, or

“(B) of a foreign corporation at least 50 percent of the voting stock of which is owned by a foreign corporation at least 10 percent of the voting stock of which is in turn owned by such domestic corporation,

then, under regulations prescribed by the Secretary or his delegate, such domestic corporation shall be deemed to have paid the same proportion of the total income, war profits, and excess profits taxes paid (or deemed paid) by such foreign corporation to a foreign country or possession of the United States for the taxable year on or with respect to the earnings and profits of such foreign corporation which the amount of earnings and profits of such foreign corporation so included in gross income of the domestic corporation bears to—

*Ante*, p. 1000.

“(C) if the foreign corporation at least 10 percent of the voting stock of which is owned by such domestic corporation referred to in subparagraph (A) or (B) is not a less developed country corporation (as defined in section 902(d)) for such taxable year, the entire amount of the earnings and profits of such foreign corporation for such taxable year, or

“(D) if the foreign corporation at least 10 percent of the voting stock of which is owned by such domestic corporation referred to in subparagraph (A) or (B) is a less developed country corporation (as defined in section 902(d)) for such taxable year, the sum of the entire amount of the earnings and profits of such foreign corporation for such taxable year and the total income, war profits, and excess profits taxes paid by such foreign corporation to foreign countries or possessions of the United States for such taxable year.

*Ante*, p. 1019.

“(2) TAXES PREVIOUSLY DEEMED PAID BY DOMESTIC CORPORATION.—If a domestic corporation receives a distribution from a foreign corporation, any portion of which is excluded from gross income under section 959, the income, war profits, and excess profits taxes paid or deemed paid by such foreign corporation to any foreign country or to any possession of the United States in connection with the earnings and profits of such foreign corporation from which such distribution is made shall not be taken into account for purposes of section 902, to the extent such taxes

were deemed paid by a domestic corporation under paragraph (1) for any prior taxable year.

“(3) TAXES PAID BY FOREIGN CORPORATION AND NOT PREVIOUSLY DEEMED PAID BY DOMESTIC CORPORATION.—Any portion of a distribution from a foreign corporation received by a domestic corporation which is excluded from gross income under section 959 (a) shall be treated by the domestic corporation as a dividend, solely for purposes of taking into account under section 902 any income, war profits, or excess profits taxes paid to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such foreign corporation from which such distribution is made, which were not deemed paid by the domestic corporation under paragraph (1) for any prior taxable year.

*Ante*, p. 1019.

*Ante*, p. 999.

“(b) SPECIAL RULES FOR FOREIGN TAX CREDIT IN YEAR OF RECEIPT OF PREVIOUSLY TAXED EARNINGS AND PROFITS.—

“(1) INCREASE IN SECTION 904 LIMITATION.—In the case of any taxpayer who—

“(A) either (i) chose to have the benefits of subpart A of this part for a taxable year in which he was required under section 951(a) to include in his gross income an amount in respect of a controlled foreign corporation, or (ii) did not pay or accrue for such taxable year any income, war profits, or excess profits taxes to any foreign country or to any possession of the United States, and

*Ante*, p. 1006.

“(B) chooses to have the benefits of subpart A of this part for the taxable year in which he receives a distribution or amount which is excluded from gross income under section 959(a) and which is attributable to earnings and profits of the controlled foreign corporation which was included in his gross income for the taxable year referred to in subparagraph (A), and

“(C) for the taxable year in which such distribution or amount is received, pays, or is deemed to have paid, or accrues income, war profits, or excess profits taxes to a foreign country or to any possession of the United States with respect to such distribution or amount,

the applicable limitation under section 904 for the taxable year in which such distribution or amount is received shall be increased as provided in paragraph (2), but such increase shall not exceed the amount of such taxes paid, or deemed paid, or accrued with respect to such distribution or amount.

26 USC 904.

“(2) AMOUNT OF INCREASE.—The amount of increase of the applicable limitation under section 904(a) for the taxable year in which the distribution or amount referred to in paragraph

74 Stat. 1010.  
26 USC 904.

(1) (B) is received shall be an amount equal to—

“(A) the amount by which the applicable limitation under section 904(a) for the taxable year referred to in paragraph (1) (A) was increased by reason of the inclusion in gross income under section 951(a) of the amount in respect of the controlled foreign corporation, reduced by

“(B) the amount of any income, war profits, and excess profits taxes paid, or deemed paid, or accrued to any foreign country or possession of the United States which were allowable as a credit under section 901 for the taxable year referred to in paragraph (1) (A) and which would not have been allowable but for the inclusion in gross income of the amount described in subparagraph (A).

26 USC 901;  
*Ante*, p. 99.  
*Post*, p. 1031.

“(3) CASES IN WHICH TAXES NOT TO BE ALLOWED AS DEDUCTION.—  
In the case of any taxpayer who—

“(A) chose to have the benefits of subpart A of this part for a taxable year in which he was required under section 951(a) to include in his gross income an amount in respect of a controlled foreign corporation, and

“(B) does not choose to have the benefits of subpart A of this part for the taxable year in which he receives a distribution or amount which is excluded from gross income under section 959(a) and which is attributable to earnings and profits of the controlled foreign corporation which was included in his gross income for the taxable year referred to in subparagraph (A),

26 USC 164.

no deduction shall be allowed under section 164 for the taxable year in which such distribution or amount is received for any income, war profits, or excess profits taxes paid or accrued to any foreign country or to any possession of the United States on or with respect to such distribution or amount.

“(4) INSUFFICIENT TAXABLE INCOME.—If an increase in the limitation under this subsection exceeds the tax imposed by this chapter for such year, the amount of such excess shall be deemed an overpayment of tax for such year.

**“SEC. 961. ADJUSTMENTS TO BASIS OF STOCK IN CONTROLLED FOREIGN CORPORATIONS AND OF OTHER PROPERTY.**

“(a) INCREASE IN BASIS.—Under regulations prescribed by the Secretary or his delegate, the basis of a United States shareholder's stock in a controlled foreign corporation, and the basis of property of a United States shareholder by reason of which he is considered under section 958(a)(2) as owning stock of a controlled foreign corporation, shall be increased by the amount required to be included in his gross income under section 951(a) with respect to such stock or with respect to such property, as the case may be, but only to the extent to which such amount was included in the gross income of such United States shareholder. In the case of a United States shareholder who has made an election under section 962 for the taxable year, the increase in basis provided by this subsection shall not exceed an amount equal to the amount of tax paid under this chapter with respect to the amounts required to be included in his gross income under section 951(a).

*Ante*, p. 1018.

*Ante*, p. 1006.

*Post*, p. 1023.

“(b) REDUCTION IN BASIS.—

“(1) IN GENERAL.—Under regulations prescribed by the Secretary or his delegate, the adjusted basis of stock or other property with respect to which a United States shareholder or a United States person receives an amount which is excluded from gross income under section 959(a) shall be reduced by the amount so excluded. In the case of a United States shareholder who has made an election under section 962 for any prior taxable year, the reduction in basis provided by this paragraph shall not exceed an amount equal to the amount received which is excluded from gross income under section 959(a) after the application of section 962(d).

*Ante*, p. 1019.

“(2) AMOUNT IN EXCESS OF BASIS.—To the extent that an amount excluded from gross income under section 959(a) exceeds the adjusted basis of the stock or other property with respect to which it is received, the amount shall be treated as gain from the sale or exchange of property.

**"SEC. 962. ELECTION BY INDIVIDUALS TO BE SUBJECT TO TAX AT CORPORATE RATES.**

"(a) **GENERAL RULE.**—Under regulations prescribed by the Secretary or his delegate, in the case of a United States shareholder who is an individual and who elects to have the provisions of this section apply for the taxable year—

"(1) the tax imposed under this chapter on amounts which are included in his gross income under section 951(a) shall (in lieu of the tax determined under section 1) be an amount equal to the tax which would be imposed under section 11 if such amounts were received by a domestic corporation, and

*Ante*, p. 1006.

"(2) for purposes of applying the provisions of section 960 (relating to foreign tax credit) such amounts shall be treated as if they were received by a domestic corporation.

*Ante*, p. 1020.

"(b) **ELECTION.**—An election to have the provisions of this section apply for any taxable year shall be made by a United States shareholder at such time and in such manner as the Secretary or his delegate shall prescribe by regulations. An election made for any taxable year may not be revoked except with the consent of the Secretary or his delegate.

"(c) **SURTAX EXEMPTION.**—For purposes of applying subsection (a)(1), the surtax exemption provided by section 11(c) shall not exceed, in the case of any United States shareholder, an amount which bears the same ratio to \$25,000 as the amounts included in his gross income under section 951(a) for the taxable year bears to his pro rata share of the earnings and profits for the taxable year of all controlled foreign corporations with respect to which such United States shareholder includes any amount in gross income under section 951(a).

58A Stat. 11.  
26 USC 11.

"(d) **SPECIAL RULE FOR ACTUAL DISTRIBUTIONS.**—The earnings and profits of a foreign corporation attributable to amounts which were included in the gross income of a United States shareholder under section 951(a) and with respect to which an election under this section applied shall, when such earnings and profits are distributed, notwithstanding the provisions of section 959(a)(1), be included in gross income to the extent that such earnings and profits so distributed exceed the amount of tax paid under this chapter on the amounts to which such election applied.

*Ante*, p. 1019.

**"SEC. 963. RECEIPT OF MINIMUM DISTRIBUTIONS BY DOMESTIC CORPORATIONS.**

"(a) **GENERAL RULE.**—In the case of a United States shareholder which is a domestic corporation and which consents to all the regulations prescribed by the Secretary or his delegate under this section prior to the last day prescribed by law for filing its return of the tax imposed by this chapter for the taxable year, no amount shall be included in gross income under section 951(a)(1)(A)(i) for the taxable year with respect to the subpart F income of a controlled foreign corporation, if—

"(1) in the case of a controlled foreign corporation described in subsection (c)(1), the United States shareholder receives a minimum distribution of the earnings and profits for the taxable year of such controlled foreign corporation;

"(2) in the case of controlled foreign corporations described in subsection (c)(2), the United States shareholder receives a minimum distribution with respect to the consolidated earnings and profits for the taxable year of all such controlled foreign corporations; or

"(3) in the case of controlled foreign corporations described in subsection (c)(3), the United States shareholder receives a min-

imum distribution of the consolidated earnings and profits for the taxable year of all such controlled foreign corporations.

“(b) **MINIMUM DISTRIBUTIONS.**—For purposes of this section, a minimum distribution with respect to the earnings and profits for the taxable year of any controlled foreign corporation or corporations shall, in the case of any United States shareholder, be its pro rata share of an amount determined in accordance with the following table:

| “If the effective foreign tax rate is<br>(percentage)— | The required minimum distribution of<br>earnings and profits is (percentage)— |
|--|---|
| Under 10.....  | 90  |
| 10 or over but less than 20.....                       | 86  |
| 20 or over but less than 28.....                       | 82  |
| 28 or over but less than 34.....                       | 75  |
| 34 or over but less than 39.....                       | 68  |
| 39 or over but less than 42.....                       | 55  |
| 42 or over but less than 44.....                       | 40  |
| 44 or over but less than 46.....                       | 27  |
| 46 or over but less than 47.....                       | 14  |
| 47 or over.....  | 0   |

“(c) **AMOUNTS TO WHICH SECTION APPLIES.**—

“(1) **FOREIGN SUBSIDIARIES.**—Subsection (a) (1) shall apply to amounts which (but for the provisions of this section) would be included in the gross income of the United States shareholder under section 951(a) (1) (A) (i) by reason of its ownership, within the meaning of section 958(a) (1) (A), of stock of a controlled foreign corporation.

“(2) **CHAIN OF CONTROLLED FOREIGN CORPORATIONS.**—Subsection (a) (2) shall apply to amounts which (but for the provisions of this section) would be included in the gross income of the United States shareholder under section 951(a) (1) (A) (i)—

“(A) by reason of its ownership, within the meaning of section 958(a) (1) (A), of stock of a controlled foreign corporation, and

“(B) to the extent that the United States shareholder so elects, by reason of its ownership, within the meaning of section 958(a) (2), of stock of any other controlled foreign corporation (on account of its ownership of the stock described in subparagraph (A) or of stock described in this subparagraph), but only if there is taken into account the earnings and profits of each foreign corporation, whether or not a controlled foreign corporation, by reason of which the United States shareholder owns, within the meaning of section 958(a) (2), stock of such controlled foreign corporation.

“(3) **ALL CONTROLLED FOREIGN CORPORATIONS.**—Except as provided in paragraph (4), subsection (a) (3) shall apply to amounts which (but for the provisions of this section) would be included in the gross income of the United States shareholder under section 951(a) (1) (A) (i)—

“(A) by reason of its ownership, within the meaning of section 958(a) (1) (A), of stock of all controlled foreign corporations in which it owns stock within the meaning of such section, and

“(B) by reason of its ownership, within the meaning of section 958(a) (2), of stock of all controlled foreign corporations in which it owns stock within the meaning of such section, but only if there is taken into account the earnings and profits of each foreign corporation, whether or not a controlled foreign corporation, by reason of which the United States shareholder owns, within the meaning of section 958(a), stock of any of such controlled foreign corporations.

*Ante*, p. 1006.

*Ante*, p. 1018.

“(4) EXCEPTIONS AND SPECIAL RULES.—

“(A) LESS DEVELOPED COUNTRY CORPORATIONS.—If the United States shareholder so elects, subsection (a) (3) and paragraph (3) of this subsection shall not apply to amounts which would be included in the gross income of such shareholder under section 951(a) (1) (A) (i) by reason of its ownership, within the meaning of section 958(a), of stock of controlled foreign corporations which are less developed country corporations (as defined in section 955(c)). This subparagraph shall not apply with respect to a less developed country corporation if, by reason of the ownership of the stock of such corporation, the United States shareholder owns, within the meaning of section 958(a) (2), stock of any other controlled foreign corporation which is not a less developed country corporation. Except as provided in the preceding sentence, an election under this subparagraph may be made only with respect to all controlled foreign corporations which are less developed country corporations and with respect to which the domestic corporation making the election is a United States shareholder.

*Ante*, p. 1006.

“(B) FOREIGN BRANCHES.—In applying subsection (a) (3) and paragraph (3) of this subsection, if a United States shareholder so elects, all branches maintained by such shareholder in foreign countries, the Commonwealth of Puerto Rico, or possessions of the United States shall, under regulations prescribed by the Secretary or his delegate, be treated as wholly owned subsidiary corporations of such shareholder organized under the laws of such foreign countries, the Commonwealth of Puerto Rico, or possessions of the United States, as the case may be. Each branch so treated shall, for purposes of this section, be considered to have distributed to the United States shareholder all of its earnings and profits for the taxable year. This subparagraph shall not apply to a branch maintained by a United States shareholder in the Commonwealth of Puerto Rico or a possession of the United States unless—

“(i) such branch would be a controlled foreign corporation (as defined in section 957) if it were incorporated under the laws of the Commonwealth of Puerto Rico or the possession of the United States, as the case may be, and

“(ii) the gross income of the United States shareholder for the taxable year includes income derived from sources within the Commonwealth of Puerto Rico and possessions of the United States.

“(C) BLOCKED FOREIGN INCOME.—If a United States shareholder so elects, the provisions of subsection (a) (3) and of paragraph (3) of this subsection shall not apply with respect to any foreign corporation, if it is established to the satisfaction of the Secretary or his delegate that the earnings and profits of such foreign corporation could not have been distributed to United States shareholders who own (within the meaning of section 958(a)) stock of such foreign corporation because of currency or other restrictions or limitations imposed under the laws of any foreign country.

“(d) **EFFECTIVE FOREIGN TAX RATE.**—For purposes of this section, the term ‘effective foreign tax rate’ means—

“(1) with respect to a single controlled foreign corporation, the percentage which—

“(A) the income, war profits, or excess profits taxes paid or accrued to foreign countries or possessions of the United States by the controlled foreign corporation for the taxable year on or with respect to its earnings and profits for the taxable year, is of

“(B) the sum of (i) the earnings and profits of the controlled foreign corporation described in subparagraph (A) and (ii) and the taxes described in subparagraph (A); and

“(2) with respect to two or more foreign corporations, the percentage which—

“(A) the total income, war profits, or excess profits taxes paid or accrued to foreign countries or possessions of the United States by such foreign corporations for the taxable year on or with respect to the consolidated earnings and profits of such foreign corporations for the taxable year, is of

“(B) the sum of (i) the consolidated earnings and profits of such foreign corporations described in subparagraph (A) and (ii) the taxes described in subparagraph (A).

For purposes of the preceding sentence, in the case of any United States shareholder, the computation of the effective foreign tax rate applicable with respect to any controlled foreign corporation or corporations shall be made without regard to distributions made by such controlled foreign corporation or corporations to such United States shareholder.

“(e) **SPECIAL RULES.**—

*Ante*, p. 1000.

“(1) **YEAR FROM WHICH DISTRIBUTIONS ARE MADE.**—For purposes of this section, the second sentence of section 902(c) (1) shall apply in determining from the earnings and profits of what year distributions are made by any foreign corporation, except that the Secretary or his delegate may by regulations provide a period in excess of 60 days in lieu of the 60-day period prescribed in such section.

“(2) **INSUFFICIENT DISTRIBUTIONS.**—If—

“(A) a United States shareholder, in making its return of the tax imposed by this chapter for any taxable year, applies the provisions of this section with respect to any controlled foreign corporation,

“(B) it is subsequently determined that this section did not apply with respect to such controlled foreign corporation for such taxable year due to the failure of the United States shareholder to receive a minimum distribution with respect to such controlled foreign corporation, and

“(C) such failure is due to reasonable cause, then a subsequent distribution made with respect to such controlled foreign corporation may, if made at a time and in a manner prescribed by the Secretary or his delegate by regulations, be treated, for purposes of this chapter, as having been made for, and received in, the taxable year of the United States shareholder for which such shareholder applied the provisions of this section.

“(3) **AFFILIATED GROUPS OF CORPORATIONS.**—An affiliated group of corporations which makes a consolidated return under section 1501 for the taxable year, may, if it so elects, be treated as a single United States shareholder for purposes of applying this section for the taxable year.

“(f) **REGULATIONS.**—The Secretary or his delegate shall prescribe such regulations as he may deem necessary to carry out the provisions of this section, including regulations for the determination of the amount of foreign tax credit in the case of distributions with respect to the earnings and profits of two or more foreign corporations.

**“SEC. 964. MISCELLANEOUS PROVISIONS.**

“(a) **EARNINGS AND PROFITS.**—For purposes of this subpart, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year shall be determined according to rules substantially similar to those applicable to domestic corporations, under regulations prescribed by the Secretary or his delegate.

“(b) **BLOCKED FOREIGN INCOME.**—Under regulations prescribed by the Secretary or his delegate, no part of the earnings and profits of a controlled foreign corporation for any taxable year shall be included in earnings and profits for purposes of sections 952, 955, and 956, if it is established to the satisfaction of the Secretary or his delegate that such part could not have been distributed by the controlled foreign corporation to United States shareholders who own (within the meaning of section 958(a)) stock of such controlled foreign corporation because of currency or other restrictions or limitations imposed under the laws of any foreign country.

“(c) **RECORDS AND ACCOUNTS OF UNITED STATES SHAREHOLDERS.**—

“(1) **RECORDS AND ACCOUNTS TO BE MAINTAINED.**—The Secretary or his delegate may by regulations require each person who is, or has been, a United States shareholder of a controlled foreign corporation to maintain such records and accounts as may be prescribed by such regulations as necessary to carry out the provisions of this subpart and subpart G.

“(2) **TWO OR MORE PERSONS REQUIRED TO MAINTAIN OR FURNISH THE SAME RECORDS AND ACCOUNTS WITH RESPECT TO THE SAME FOREIGN CORPORATION.**—Where, but for this paragraph, two or more United States persons would be required to maintain or furnish the same records and accounts as may by regulations be required under paragraph (1) with respect to the same controlled foreign corporation for the same period, the Secretary or his delegate may by regulations provide that the maintenance or furnishing of such records and accounts by only one such person shall satisfy the requirements of paragraph (1) for such other persons.

**“Subpart G—Export Trade Corporations**

“Sec. 970. Reduction of subpart F income of export trade corporations.

“Sec. 971. Definitions.

“Sec. 972. Consolidation of group of export trade corporations.

**“SEC. 970. REDUCTION OF SUBPART F INCOME OF EXPORT TRADE CORPORATIONS.**

“(a) **EXPORT TRADE INCOME CONSTITUTING FOREIGN BASE COMPANY INCOME.**—

“(1) **IN GENERAL.**—In the case of a controlled foreign corporation (as defined in section 957) which for the taxable year is an export trade corporation, the subpart F income (determined without regard to this subpart) of such corporation for such year shall be reduced by an amount equal to so much of the export trade income (as defined in section 971(b)) of such corporation for such year as constitutes foreign base company income (as defined

*Ante*, p. 1017.



in section 954), but only to the extent that such amount does not exceed whichever of the following amounts is the lesser:

“(A) an amount equal to  $1\frac{1}{2}$  times so much of the export promotion expenses (as defined in section 971(d)) of such corporation for such year as is properly allocable to the export trade income which constitutes foreign base company income of such corporation for such year, or

“(B) an amount equal to 10 percent of so much of the gross receipts for such year (or, in the case of gross receipts arising from commissions, fees, or other compensation for its services, so much of the gross amount upon the basis of which such commissions, fees, or other compensation is computed) accruing to such export trade corporation from the sale, installation, operation, maintenance, or use of property in respect of which such corporation derives export trade income as is properly allocable to the export trade income which constitutes foreign base company income of such corporation for such year.

The allocations with respect to export trade income which constitutes foreign base company income under subparagraphs (A) and (B) shall be made under regulations prescribed by the Secretary or his delegate.

“(2) OVERALL LIMITATION.—The reduction under paragraph (1) for any taxable year shall not exceed an amount which bears the same ratio to the increase in the investments in export trade assets (as defined in section 971(c)) of such corporation for such year as the export trade income which constitutes foreign base company income of such corporation for such year bears to the entire export trade income of such corporation for such year.

“(b) INCLUSION OF CERTAIN PREVIOUSLY EXCLUDED AMOUNTS.—Each United States shareholder of a controlled foreign corporation which for any prior taxable year was an export trade corporation shall include in his gross income under section 951(a)(1)(A)(ii), as an amount to which section 955 (relating to withdrawal of previously excluded subpart F income from qualified investment) applies, his pro rata share of the amount of decrease in the investments in export trade assets of such corporation for such year, but only to the extent that his pro rata share of such amount does not exceed an amount equal to—

“(1) his pro rata share of the sum of (A) the amounts by which the subpart F income of such corporation was reduced for all prior taxable years under subsection (a), and (B) the amounts not included in subpart F income (determined without regard to this subpart) for all prior taxable years by reason of the application of section 972, reduced by

“(2) the sum of the amounts which were included in his gross income under section 951(a)(1)(A)(ii) under the provisions of this subsection for all prior taxable years.

“(c) INVESTMENTS IN EXPORT TRADE ASSETS.—

“(1) AMOUNT OF INVESTMENTS.—For purposes of this section, the amount taken into account with respect to any export trade asset shall be its adjusted basis, reduced by any liability to which the asset is subject.

“(2) INCREASE IN INVESTMENTS IN EXPORT TRADE ASSETS.—For purposes of subsection (a), the amount of increase in investments in export trade assets of any controlled foreign corporation for any taxable year is the amount by which—

“(A) the amount of such investments at the close of the taxable year, exceeds

“(B) the amount of such investments at the close of the preceding taxable year.

“(3) DECREASE IN INVESTMENTS IN EXPORT TRADE ASSETS.—For purposes of subsection (b), the amount of decrease in investments in export trade assets of any controlled foreign corporation for any taxable year is the amount by which—

“(A) the amount of such investments at the close of the preceding taxable year (reduced by an amount equal to the amount of net loss sustained during the taxable year with respect to export trade assets), exceeds

“(B) the amount of such investments at the close of the taxable year.

“(4) SPECIAL RULE.—A United States shareholder of an export trade corporation may, under regulations prescribed by the Secretary or his delegate, make the determinations under paragraphs (2) and (3) as of the close of the 75th day after the close of the years referred to in such paragraphs in lieu of on the last day of such years. A United States shareholder of an export trade corporation may, under regulations prescribed by the Secretary or his delegate, make the determinations under paragraphs (2) and (3) with respect to export trade assets described in section 971(c)(3) as of the close of the years following the years referred to in such paragraphs, or as of the close of such longer period of time as such regulations may permit, in lieu of on the last day of such years and in lieu of on the day prescribed in the preceding sentence. Any election under this paragraph made with respect to any taxable year shall apply to such year and to all succeeding taxable years unless the Secretary or his delegate consents to the revocation of such election.

**“SEC. 971. DEFINITIONS.**

“(a) EXPORT TRADE CORPORATIONS.—For purposes of this subpart, the term ‘export trade corporation’ means—

“(1) IN GENERAL.—A controlled foreign corporation (as defined in section 957) which satisfies the following conditions:

“(A) 90 percent or more of the gross income of such corporation for the 3-year period immediately preceding the close of the taxable year (or such part of such period subsequent to the effective date of this subpart during which the corporation was in existence) was derived from sources without the United States, and

“(B) 75 percent or more of the gross income of such corporation for such period constituted gross income in respect of which such corporation derived export trade income.

“(2) SPECIAL RULE.—If 50 percent or more of the gross income of a controlled foreign corporation in the period specified in subsection (a)(1)(A) is gross income in respect of which such corporation derived export trade income in respect of agricultural products grown in the United States, it may qualify as an export trade corporation although it does not meet the requirements of subsection (a)(1)(B).

“(b) EXPORT TRADE INCOME.—For the purposes of this subpart, the term ‘export trade income’ means net income from—

“(1) the sale to an unrelated person for use, consumption, or disposition outside the United States of export property (as defined in subsection (e)), or from commissions, fees, compensation, or other income from the performance of commercial, industrial, financial, technical, scientific, managerial, engineering, architectural, skilled, or other services in respect of such sales or

in respect of the installation or maintenance of such export property;

“(2) commissions, fees, compensation, or other income from commercial, industrial, financial, technical, scientific, managerial, engineering, architectural, skilled, or other services performed in connection with the use by an unrelated person outside the United States of patents, copyrights, secret processes and formulas, goodwill, trademarks, trade brands, franchises, and other like property acquired or developed and owned by the manufacturer, producer, grower, or extractor of export property in respect of which the export trade corporation earns export trade income under paragraph (1);

“(3) commissions, fees, rentals, or other compensation or income attributable to the use of export property by an unrelated person or attributable to the use of export property in the rendition of technical, scientific, or engineering services to an unrelated person; and

“(4) interest from export trade assets described in subsection (c) (4).

For purposes of paragraph (3), if a controlled foreign corporation receives income from an unrelated person attributable to the use of export property in the rendition of services to such unrelated person together with income attributable to the rendition of other services to such unrelated person, including personal services, the amount of such aggregate income which shall be considered to be attributable to the use of the export property shall (if such amount cannot be established by reference to transactions between unrelated persons) be that part of such aggregate income which the cost of the export property consumed in the rendition of such services (including a reasonable allowance for depreciation) bears to the total costs and expenses attributable to such aggregate income.

“(c) **EXPORT TRADE ASSETS.**—For purposes of this subpart, the term ‘export trade assets’ means—

“(1) working capital reasonably necessary for the production of export trade income,

“(2) inventory of export property held for use, consumption, or disposition outside the United States,

“(3) facilities located outside the United States for the storage, handling, transportation, packaging, or servicing of export property, and

“(4) evidences of indebtedness executed by persons, other than related persons, in connection with payment for purchases of export property for use, consumption, or disposition outside the United States; or in connection with the payment for services described in subsections (b) (2) and (3)

“(d) **EXPORT PROMOTION EXPENSES.**—For purposes of this subpart, the term ‘export promotion expenses’ means the following expenses paid or incurred in the receipt or production of export trade income—

“(1) a reasonable allowance for salaries or other compensation for personal services actually rendered for such purpose,

“(2) rentals or other payments for the use of property actually used for such purpose,

“(3) a reasonable allowance for the exhaustion, wear and tear, or obsolescence of property actually used for such purpose, and

“(4) any other ordinary and necessary expenses of the corporation to the extent reasonably allocable to the receipt or production of export trade income.

No expense incurred within the United States shall be treated as an export promotion expense within the meaning of the preceding sentence, unless at least 90 percent of each category of expenses described in such sentence is incurred outside the United States.

“(e) **EXPORT PROPERTY.**—For purposes of this subpart, the term ‘export property’ means any property or any interest in property manufactured, produced, grown, or extracted in the United States.

“(f) **UNRELATED PERSON.**—For purposes of this subpart, the term ‘unrelated person’ means a person other than a related person as defined in section 954(d) (3).

*Ante*, p. 1012.

**“SEC. 972. CONSOLIDATION OF GROUP OF EXPORT TRADE CORPORATIONS.**

“For purposes of this subpart and subpart F of this part, a United States shareholder of a controlled foreign corporation which is an export trade corporation may, under regulations prescribed by the Secretary or his delegate, treat as a single controlled foreign corporation—

“(1) such controlled foreign corporation,

“(2) all controlled foreign corporations which are export trade corporations and 80 percent or more of the total combined voting power of all classes of stock entitled to vote of which is owned by such controlled foreign corporation; and

“(3) all controlled foreign corporations which are export trade corporations and 80 percent or more of the total combined voting power of all classes of stock entitled to vote of which is owned by controlled foreign corporations described in paragraph (2).”

(b) **TECHNICAL AND CLERICAL AMENDMENTS.**—

(1) Section 901 (relating to foreign tax credit) is amended by striking out “section 902” and inserting in lieu thereof “sections 902 and 960”.

(2) Section 904(g) (as redesignated by section 10(a) of this Act) is amended to read as follows:

*Ante*, p. 1002.

“(g) **CROSS REFERENCES.**—

“(1) For increase of applicable limitation under subsection (a) for taxes paid with respect to amounts received which were included in the gross income of the taxpayer for a prior taxable year as a United States shareholder with respect to a controlled foreign corporation, see section 960(b).

*Ante*, p. 1020.

“(2) For special rule relating to the application of the credit provided by section 901 in the case of affiliated groups which include Western Hemisphere trade corporations for years in which the limitation provided by subsection (a)(2) applies, see section 1503(d).”

74 Stat. 1011.

(3) The table of subparts for part III of subchapter N of chapter 1 is amended by adding at the end thereof the following:

26 USC 901-905.

“Subpart F. Controlled foreign corporations.

“Subpart G. Export trade corporations.”

(4) Section 1016(a) (relating to adjustments to basis) is amended by adding after paragraph (19) (as added by section 2(f) of this Act) the following new paragraph:

*Ante*, p. 972.

“(20) to the extent provided in section 961 in the case of stock in controlled foreign corporations (or foreign corporations which were controlled foreign corporations) and of property by reason of which a person is considered as owning such stock.”

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to taxable years of foreign corporations beginning after December 31, 1962, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end.

**SEC. 13. GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE PROPERTY.****(a) IN GENERAL.—**

26 USC 1231-1244.

(1) Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding at the end thereof the following new section:

**“SEC. 1245. GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE PROPERTY.****“(a) GENERAL RULE.—**

“(1) **ORDINARY INCOME.**—Except as otherwise provided in this section, if section 1245 property is disposed of during a taxable year beginning after December 31, 1962, the amount by which the lower of—

“(A) the recomputed basis of the property, or

“(B) (i) in the case of a sale, exchange, or involuntary conversion, the amount realized, or

“(ii) in the case of any other disposition, the fair market value of such property, exceeds the adjusted basis of such property shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle.

“(2) **RECOMPUTED BASIS.**—For purposes of this section, the term ‘recomputed basis’ means, with respect to any property, its adjusted basis recomputed by adding thereto all adjustments, attributable to periods after December 31, 1961, reflected in such adjusted basis on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for depreciation, or for amortization under section 168. For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed for depreciation, or for amortization under section 168, for any period was less than the amount allowable, the amount added for such period shall be the amount allowed.

“(3) **SECTION 1245 PROPERTY.**—For purposes of this section, the term ‘section 1245 property’ means any property (other than livestock) which is or has been property of a character subject to the allowance for depreciation provided in section 167 and is either—

“(A) personal property, or

“(B) other property (not including a building or its structural components) but only if such other property is tangible and has an adjusted basis in which there are reflected adjustments described in paragraph (2) for a period in which such property (or other property)—

“(i) was used as an integral part of manufacturing, production, or extraction or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services, or

“(ii) constituted research or storage facilities used in connection with any of the activities referred to in clause (i).

**“(b) EXCEPTIONS AND LIMITATIONS.—**

“(1) **GIFTS.**—Subsection (a) shall not apply to a disposition by gift.

“(2) **TRANSFERS AT DEATH.**—Except as provided in section 691 (relating to income in respect of a decedent), subsection (a) shall not apply to a transfer at death.

“(3) **CERTAIN TAX-FREE TRANSACTIONS.**—If the basis of property in the hands of a transferee is determined by reference to its basis in the hands of the transferor by reason of the application of section 332, 351, 361, 371(a), 374(a), 721, or 731, then the amount of gain taken into account by the transferor under subsection (a)(1) shall not exceed the amount of gain recognized to the transferor on the transfer of such property (determined without regard to this section). This paragraph shall not apply to a disposition to an organization (other than a cooperative described in section 521) which is exempt from the tax imposed by this chapter.

“(4) **LIKE KIND EXCHANGES; INVOLUNTARY CONVERSIONS, ETC.**—If property is disposed of and gain (determined without regard to this section) is not recognized in whole or in part under section 1031 or 1033, then the amount of gain taken into account by the transferor under subsection (a)(1) shall not exceed the sum of—

“(A) the amount of gain recognized on such disposition (determined without regard to this section), plus

“(B) the fair market value of property acquired which is not section 1245 property and which is not taken into account under subparagraph (A).

“(5) **SECTION 1071 AND 1081 TRANSACTIONS.**—Under regulations prescribed by the Secretary or his delegate, rules consistent with paragraphs (3) and (4) of this subsection shall apply in the case of transactions described in section 1071 (relating to gain from sale or exchange to effectuate policies of FCC) or section 1081 (relating to exchanges in obedience to SEC orders).

“(6) **PROPERTY DISTRIBUTED BY A PARTNERSHIP TO A PARTNER.**—

“(A) **IN GENERAL.**—For purposes of this section, the basis of section 1245 property distributed by a partnership to a partner shall be deemed to be determined by reference to the adjusted basis of such property to the partnership.

“(B) **ADJUSTMENTS ADDED BACK.**—In the case of any property described in subparagraph (A), for purposes of computing the recomputed basis of such property the amount of the adjustments added back for periods before the distribution by the partnership shall be—

“(i) the amount of the gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

“(ii) the amount of such gain to which section 751(b) applied.

“(c) **ADJUSTMENTS TO BASIS.**—The Secretary or his delegate shall prescribe such regulations as he may deem necessary to provide for adjustments to the basis of property to reflect gain recognized under subsection (a).

“(d) **APPLICATION OF SECTION.**—This section shall apply notwithstanding any other provision of this subtitle.”

(2) The table of sections for such part IV is amended by adding at the end thereof the following:

“Sec. 1245. Gain from dispositions of certain depreciable property.”

26 USC 167. (b) CHANGE IN METHOD OF DEPRECIATION.—Subsection (e) of section 167 (relating to depreciation) is amended to read as follows:

“(e) CHANGE IN METHOD.—

“(1) CHANGE FROM DECLINING BALANCE METHOD.—In the absence of an agreement under subsection (d) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the Secretary or his delegate to change from the method of depreciation described in subsection (b) (2) to the method described in subsection (b) (1).

“(2) CHANGE WITH RESPECT TO SECTION 1245 PROPERTY.—A taxpayer may, on or before the last day prescribed by law (including extensions thereof) for filing his return for his first taxable year beginning after December 31, 1962, and in such manner as the Secretary or his delegate shall by regulations prescribe, elect to change his method of depreciation in respect of section 1245 property (as defined in section 1245(a)(3)) from any declining balance or sum of the years-digits method to the straight line method. An election may be made under this paragraph notwithstanding any provision to the contrary in an agreement under subsection (d).”

*Ante*, p. 1032.

(c) SALVAGE VALUE OF PERSONAL PROPERTY.—

(1) AMOUNT TAKEN INTO ACCOUNT.—Section 167 (relating to depreciation) is amended by redesignating subsections (f), (g), and (h) as (g), (h), and (i), respectively, and by inserting after subsection (e) the following new subsection:

“(f) SALVAGE VALUE.—

“(1) GENERAL RULE.—Under regulations prescribed by the Secretary or his delegate, a taxpayer may, for purposes of computing the allowance under subsection (a) with respect to personal property, reduce the amount taken into account as salvage value by an amount which does not exceed 10 percent of the basis of such property (as determined under subsection (g) as of the time as of which such salvage value is required to be determined).

“(2) PERSONAL PROPERTY DEFINED.—For purposes of this subsection, the term ‘personal property’ means depreciable personal property (other than livestock) with a useful life of 3 years or more acquired after the date of the enactment of the Revenue Act of 1962.”

(2) CONFORMING AMENDMENTS.—

26 USC 179.

(A) Sections 179(d)(5) and 642(e) are each amended by striking out “167(g)” and inserting in lieu thereof “167(h)”.

(B) Section 179(d)(8) is amended by striking out “167(f)” and inserting in lieu thereof “167(g)”.

26 USC 170.

(d) SPECIAL RULE FOR CHARITABLE CONTRIBUTIONS OF SECTION 1245 PROPERTY.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

*Ante*, p. 1032.

“(e) SPECIAL RULE FOR CHARITABLE CONTRIBUTIONS OF SECTION 1245 PROPERTY.—The amount of any charitable contribution taken into account under this section shall be reduced by the amount which would have been treated as gain to which section 1245(a) applies if the property contributed had been sold at its fair market value (determined at the time of such contribution).”

26 USC 613.

(e) COMPUTATION OF TAXABLE INCOME FOR PURPOSES OF LIMITATION ON PERCENTAGE DEPLETION DEDUCTION.—Section 613(a) (relating to percentage depletion) is amended by inserting after the second sentence thereof the following new sentence: “For purposes of the preceding sentence, the allowable deductions taken into account with

respect to expenses of mining in computing the taxable income from the property shall be decreased by an amount equal to so much of any gain which (1) is treated under section 1245 (relating to gain from disposition of certain depreciable property) as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231, and (2) is properly allocable to the property."

26 USC 1231.

(f) TECHNICAL AMENDMENTS.—

(1) SPECIAL RULE FOR PARTNERSHIPS.—Section 751(c) (relating to definition of "unrealized receivables" for purposes of subchapter K) is amended by adding after paragraph (2) the following:

26 USC 751.

"For purposes of this section and sections 731, 736, and 741, such term also includes section 1245 property (as defined in section 1245 (a) (3)), but only to the extent of the amount which would be treated as gain to which section 1245(a) would apply if (at the time of the transaction described in this section or section 731, 736, or 741, as the case may be) such property had been sold by the partnership at its fair market value."

*Ante*, p. 1032.

(2) CORPORATE DISTRIBUTION OF PROPERTY.—Subsections (b) and (d) of section 301 (relating to amount distributed) are each amended by striking out "subsection (b) or (c) of section 311" and inserting in lieu thereof "subsection (b) or (c) of section 311 or under section 1245(a)".

(3) EFFECT ON EARNINGS AND PROFITS.—Section 312(c) (3) (relating to adjustments of earnings and profits) is amended by striking out "subsection (b) or (c) of section 311" and inserting in lieu thereof "subsection (b) or (c) of section 311 or under section 1245(a)".

(4) COLLAPSIBLE CORPORATIONS.—Section 341(e) (relating to collapsible corporations) is amended by inserting after paragraph (11) the following new paragraph:

26 USC 341.

"(12) NONAPPLICATION OF SECTION 1245(a).—For purposes of this subsection, the determination of whether gain from the sale or exchange of property would under any provision of this chapter be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231(b) shall be made without regard to the application of section 1245(a)."

(5) INSTALLMENT OBLIGATIONS IN CERTAIN LIQUIDATIONS.—

(A) Section 453(d) (4) (A) (relating to distribution of installment obligations in section 332 liquidations) is amended by adding at the end thereof the following new sentence: "If the basis of the property of the liquidating corporation in the hands of the distributee is determined under section 334(b) (2) then the preceding sentence shall not apply to the extent that under paragraph (1) gain to the distributing corporation would be considered as gain to which section 1245(a) applies."

(B) Section 453(d) (4) (B) (relating to distribution of installment obligations in liquidations to which section 337 applies) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to the extent that under paragraph (1) gain to the distributing corporation would be considered as gain to which section 1245(a) applies."

(g) EFFECTIVE DATES.—The amendments made by this section (other than the amendments made by subsection (c)) shall apply to taxable years beginning after December 31, 1962. The amendments



made by subsection (c) shall apply to taxable years beginning after December 31, 1961, and ending after the date of the enactment of this Act.

#### SEC. 14. FOREIGN INVESTMENT COMPANIES.

##### (a) TREATMENT OF SALE OF STOCK OF FOREIGN INVESTMENT COMPANIES.—

26 USC 1231,  
1244.

*Ante*, p. 1032.

(1) IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding after section 1245 (as added by section 13 of this Act) the following new sections:

##### “SEC. 1246. GAIN ON FOREIGN INVESTMENT COMPANY STOCK.

###### “(a) TREATMENT OF GAIN AS ORDINARY INCOME.—

“(1) GENERAL RULE.—In the case of a sale or exchange (or a distribution which, under section 302 or 331, is treated as an exchange of stock) after December 31, 1962, of stock in a foreign corporation which was a foreign investment company (as defined in subsection (b)) at any time during the period during which the taxpayer held such stock, any gain shall be treated as gain from the sale or exchange of property which is not a capital asset, to the extent of the taxpayer's ratable share of the earnings and profits of such corporation accumulated for taxable years beginning after December 31, 1962.

“(2) RATABLE SHARE.—For purposes of this section, the taxpayer's ratable share shall be determined under regulations prescribed by the Secretary or his delegate, but shall include only his ratable share of the accumulated earnings and profits of such corporation—

“(A) for the period during which the taxpayer held such stock, but

“(B) excluding such earnings and profits attributable to any amount previously included in the gross income of such taxpayer under section 951 (but only to the extent the inclusion of such amount did not result in an exclusion of any other amount from gross income under section 959).

*Ante*, p. 1006.

*Ante*, p. 1019.

“(3) TAXPAYER TO ESTABLISH EARNINGS AND PROFITS.—Unless the taxpayer establishes the amount of the accumulated earnings and profits of the foreign investment company and the ratable share thereof for the period during which the taxpayer held such stock, all the gain from the sale or exchange of stock in such company shall be considered as gain from the sale or exchange of property which is not a capital asset.

“(4) HOLDING PERIOD OF STOCK MUST BE MORE THAN 6 MONTHS.—This section shall not apply with respect to the sale or exchange of stock where the holding period of such stock as of the date of such sale or exchange is 6 months or less.

“(b) DEFINITION OF FOREIGN INVESTMENT COMPANY.—For purposes of this section, the term ‘foreign investment company’ means any foreign corporation which, for any taxable year beginning after December 31, 1962, is—

54 Stat. 789.

“(1) registered under the Investment Company Act of 1940, as amended (15 U.S.C. 80a-1 to 80b-2), either as a management company or as a unit investment trust, or

“(2) engaged (or holding itself out as being engaged) primarily in the business of investing, reinvesting, or trading in securities (within the meaning of section 3(a)(1) of such Act, as limited by paragraphs (2) through (10) (except paragraph (6)(C)) and paragraphs (12) through (15) of section 3(c) of such Act) at a time when more than 50 percent of the total com-

bined voting power of all classes of stock entitled to vote, or of the total value of shares of all classes of stock, was held, directly or indirectly (within the meaning of section 958(a)), by United States persons (as defined in section 7701(a)(30)).

*Ante*, p. 1018.

*Ante*, p. 988.

“(c) STOCK HAVING TRANSFERRED OR SUBSTITUTED BASIS.—To the extent provided in regulations prescribed by the Secretary or his delegate, stock in a foreign corporation, the basis of which (in the hands of the taxpayer selling or exchanging such stock) is determined by reference to the basis (in the hands of such taxpayer or any other person) of stock in a foreign investment company, shall be treated as stock of a foreign investment company and held by the taxpayer throughout the holding period for such stock (determined under section 1223).

26 USC 1223.

“(d) RULES RELATING TO ENTITIES HOLDING FOREIGN INVESTMENT COMPANY STOCK.—To the extent provided in regulations prescribed by the Secretary or his delegate—

“(1) trust certificates of a trust to which section 677 (relating to income for benefit of grantor) applies, and

26 USC 677.

“(2) stock of a domestic corporation,

shall be treated as stock of a foreign investment company and held by the taxpayer throughout the holding period for such certificates or stock (determined under section 1223) in the same proportion that the investment in stock in a foreign investment company by the trust or domestic corporation bears to the total assets of such trust or corporation.

“(e) RULES RELATING TO STOCK ACQUIRED FROM A DECEDENT.—

“(1) BASIS.—In the case of stock of a foreign investment company acquired by bequest, devise, or inheritance (or by the decedent's estate) from a decedent dying after December 31, 1962, the basis determined under section 1014 shall be reduced (but not below the adjusted basis of such stock in the hands of the decedent immediately before his death) by the amount of the decedent's ratable share of the earnings and profits of such company accumulated after December 31, 1962. Any stock so acquired shall be treated as stock described in subsection (c).

26 USC 1014.

“(2) DEDUCTION FOR ESTATE TAX.—If stock to which subsection (a) applies is acquired from a decedent, the taxpayer shall, under regulations prescribed by the Secretary or his delegate, be allowed (for the taxable year of the sale or exchange) a deduction from gross income equal to that portion of the decedent's estate tax deemed paid which is attributable to the excess of (A) the value at which such stock was taken into account for purposes of determining the value of the decedent's gross estate, over (B) the value at which it would have been so taken into account if such value had been reduced by the amount described in paragraph (1).

“(f) INFORMATION WITH RESPECT TO CERTAIN FOREIGN INVESTMENT COMPANIES.—Every United States person who, on the last day of the taxable year of a foreign investment company beginning after December 31, 1962, owns 5 percent or more in value of the stock of such company shall furnish with respect to such company such information as the Secretary or his delegate shall by regulations prescribe.

“(g) CROSS REFERENCE.—

“For special rules relating to the earnings and profits of foreign investment companies, see section 312(l).

**“SEC. 1247. ELECTION BY FOREIGN INVESTMENT COMPANIES TO DISTRIBUTE INCOME CURRENTLY.**

“(a) ELECTION BY FOREIGN INVESTMENT COMPANY.—

“(1) IN GENERAL.—If a foreign investment company which is described in section 1246(b)(1) elects (in the manner provided

*Ante*, p. 1036.

in regulations prescribed by the Secretary or his delegate) on or before December 31, 1962, with respect to each taxable year beginning after December 31, 1962, to—

“(A) distribute to its shareholders 90 percent or more of what its taxable income would be if it were a domestic corporation;

“(B) designate in a written notice mailed to its shareholders at any time before the expiration of 45 days after the close of its taxable year the pro rata amount of the excess (determined as if such corporation were a domestic corporation) of the net long-term capital gain over the net short-term capital loss of the taxable year; and the portion thereof which is being distributed; and

“(C) provide such information as the Secretary or his delegate deems necessary to carry out the purposes of this section;

*Ante*, p. 1036.

then section 1246 shall not apply with respect to the qualified shareholders of such company during any taxable year to which such election applies.

“(2) SPECIAL RULES.—

“(A) COMPUTATION OF TAXABLE INCOME.—For purposes of paragraph (1) (A), the taxable income of the company shall be computed without regard to—

“(i) the excess of the net long-term capital gain over the net short-term capital loss referred to in paragraph (1) (B),

26 USC 172.

“(ii) section 172 (relating to net operating losses), and

“(iii) any deduction provided by part VIII of subchapter B (other than the deduction provided by section 248, relating to organizational expenditures).

26 USC 248.

“(B) DISTRIBUTIONS AFTER THE CLOSE OF THE TAXABLE YEAR.—For purposes of paragraph (1) (A), a distribution made after the close of the taxable year and on or before the 15th day of the third month of the next taxable year shall be treated as distributed during the taxable year to the extent elected by the company (in accordance with regulations prescribed by the Secretary or his delegate) on or before the 15th day of such third month.

“(C) CARRYOVER OF CAPITAL LOSSES FROM NONELECTION YEARS DENIED.—In computing the excess of the net long-term capital gain over the net short-term capital loss referred to in paragraph (1) (B), section 1212 shall not apply to losses incurred in or with respect to taxable years before the first taxable year to which the election applies.

26 USC 1212.

“(b) YEARS TO WHICH ELECTION APPLIES.—The election of any foreign investment company under this section shall terminate as of the close of the taxable year preceding its first taxable year in which any of the following occurs:

“(1) the company fails to comply with the provisions of subparagraph (A), (B), or (C) of subsection (a) (1), unless it is shown that such failure is due to reasonable cause and not due to willful neglect,

“(2) the company is a foreign personal holding company, or

“(3) the company is not a foreign investment company which is described in section 1246(b) (1).

“(c) **QUALIFIED SHAREHOLDERS.**—For purposes of this section—

“(1) **IN GENERAL.**—The term ‘qualified shareholder’ means any shareholder who is a United States person (as defined in section 7701(a)(30)), other than a shareholder described in paragraph (2).

*Ante*, p. 988.

“(2) **CERTAIN UNITED STATES PERSONS EXCLUDED FROM DEFINITION.**—A United States person shall not be treated as a qualified shareholder for the taxable year if for such taxable year (or for any prior taxable year) he did not include, in computing his long-term capital gains in his return for such taxable year, the amount designated by such company pursuant to subsection (a)(1)(B) as his share of the undistributed capital gains of such company for its taxable year ending within or with such taxable year of the taxpayer. The preceding sentence shall not apply with respect to any failure by the taxpayer to treat an amount as provided therein if the taxpayer shows that such failure was due to reasonable cause and not due to willful neglect.

“(d) **TREATMENT OF DISTRIBUTED AND UNDISTRIBUTED CAPITAL GAINS BY A QUALIFIED SHAREHOLDER.**—Every qualified shareholder of a foreign investment company for any taxable year of such company with respect to which an election pursuant to subsection (a) is in effect shall include, in computing his long-term capital gains—

“(1) for his taxable year in which received, his pro rata share of the distributed portion of the excess of the net long-term capital gain over the net short-term capital loss for such taxable year of such company, and

“(2) for his taxable year in which or with which the taxable year of such company ends, his pro rata share of the undistributed portion of the excess of the net long-term capital gain over the net short-term capital loss for such taxable year of such company.

“(e) **ADJUSTMENTS.**—Under regulations prescribed by the Secretary or his delegate, proper adjustment shall be made—

“(1) in the earnings and profits of the electing foreign investment company and a qualified shareholder’s ratable share thereof, and

“(2) in the adjusted basis of stock of such company held by such shareholder,

to reflect such shareholder’s inclusion in gross income of undistributed capital gains.

“(f) **ELECTION BY FOREIGN INVESTMENT COMPANY WITH RESPECT TO FOREIGN TAX CREDIT.**—A foreign investment company with respect to which an election pursuant to subsection (a) is in effect and more than 50 percent of the value (as defined in section 851(c)(4)) of whose total assets at the close of the taxable year consists of stock or securities in foreign corporations may, for such taxable year, elect the application of this subsection with respect to income, war profits, and excess profits taxes described in section 901(b)(1) which are paid by the foreign investment company during such taxable year to foreign countries and possessions of the United States. If such election is made—

26 USC 851.

26 USC 901.

“(1) the foreign investment company—

“(A) shall compute its taxable income, for purposes of subsection (a)(1)(A), without any deductions for income, war profits, or excess profits taxes paid to foreign countries or possessions of the United States, and

“(B) shall treat the amount of such taxes, for purposes of subsection (a)(1)(A), as distributed to its shareholders;

"(2) each qualified shareholder of such foreign investment company—

"(A) shall include in gross income and treat as paid by him his proportionate share of such taxes, and

"(B) shall treat, for purposes of applying subpart A of part III of subchapter N, his proportionate share of such taxes as having been paid to the country in which the foreign investment company is incorporated, and

"(C) shall treat as gross income from sources within the country in which the foreign investment company is incorporated, for purposes of applying subpart A of part III of subchapter N, the sum of his proportionate share of such taxes and any dividend paid to him by such foreign investment company.

"(g) NOTICE TO SHAREHOLDERS.—The amounts to be treated by qualified shareholders, for purposes of subsection (f) (2), as their proportionate share of the taxes described in subsection (f) (1) (A) paid by a foreign investment company shall not exceed the amounts so designated by the foreign investment company in a written notice mailed to its shareholders not later than 45 days after the close of its taxable year.

"(h) MANNER OF MAKING ELECTION AND NOTIFYING SHAREHOLDERS.—The election provided in subsection (f) and the notice to shareholders required by subsection (g) shall be made in such manner as the Secretary or his delegate may prescribe by regulations.

"(i) LOSS ON SALE OR EXCHANGE OF CERTAIN STOCK HELD LESS THAN 6 MONTHS.—If—

"(1) under this section, any qualified shareholder treats any amount designated under subsection (a) (1) (B) with respect to a share of stock as long-term capital gain, and

"(2) such share is held by the taxpayer for less than 6 months, then any loss on the sale or exchange of such share shall, to the extent of the amount described in paragraph (1), be treated as loss from the sale or exchange of a capital asset held for more than 6 months."

(2) The table of sections for such part IV is amended by adding at the end thereof the following:

"Sec. 1246. Gain on foreign investment company stock.

"Sec. 1247. Election by foreign investment companies to distribute income currently."

(b) CONFORMING AMENDMENTS.—

(1) EARNINGS AND PROFITS OF FOREIGN INVESTMENT COMPANIES.—

Section 312 (relating to effect on earnings and profits) is amended by adding after subsection (k) the following new subsection:

"(1) EARNINGS AND PROFITS OF FOREIGN INVESTMENT COMPANIES.—

"(1) ALLOCATION WITHIN AFFILIATED GROUP.—In the case of a sale or exchange of stock in a foreign investment company (as defined in section 1246(b)) by a United States person (as defined in section 7701(a)(30)), if such company is a member of an affiliated group, then the accumulated earnings and profits of all members of such affiliated group shall be allocated, under regulations prescribed by the Secretary or his delegate, in such manner as is proper to carry out the purposes of section 1246.

"(2) AFFILIATED GROUP DEFINED.—For purposes of paragraph (1) of this subsection, the term 'affiliated group' has the meaning assigned to such term by section 1504(a); except that (A) 'more than 50 percent' shall be substituted for '80 percent or more', and (B) all corporations shall be treated as includible corporations (without regard to the provisions of section 1504(b)).

*Ante*, p. 6;  
26 USC 312.

*Ante*, p. 1036.  
*Ante*, p. 988.

26 USC 1504.

“(3) **PARTIAL LIQUIDATIONS AND REDEMPTIONS.**—

“(A) **IN GENERAL.**—If a foreign investment company (as defined in section 1246) distributes amounts in partial liquidation or in a redemption to which section 302(a) or 303 applies, the part of such distribution which is properly chargeable to earnings and profits shall be an amount which is not in excess of the ratable share of the earnings and profits of the company accumulated after February 28, 1913, attributable to the stock so redeemed.

*Ante*, p. 1036.  
26 USC 302, 303.

“(B) **EFFECTIVE DATE.**—Subparagraph (A) shall apply only with respect to distributions made after December 31, 1962.”

(2) **SALE OR EXCHANGE OF INTEREST IN PARTNERSHIP.**—Section 751(d)(2) (relating to inventory items which have appreciated substantially in value) is amended by striking out “and” at the end of subparagraph (B), and by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraphs:

26 USC 751.

“(C) any other property of the partnership which, if sold or exchanged by the partnership, would result in a gain taxable under subsection (a) of section 1246 (relating to gain on foreign investment company stock), and

“(D) any other property held by the partnership which, if held by the selling or distributee partner, would be considered property of the type described in subparagraph (A), (B), or (C).”

(3) **HOLDING PERIOD OF PROPERTY.**—Section 1223 (relating to holding period of property) is amended by redesignating paragraph (10) as paragraph (11) and inserting after paragraph (9) the following paragraph:

26 USC 1223.

“(10) In determining the period for which the taxpayer has held trust certificates of a trust to which subsection (d) of section 1246 applies, or the period for which the taxpayer has held stock in a corporation to which subsection (d) of section 1246 applies, there shall be included the period for which the trust or corporation (as the case may be) held the stock of foreign investment companies.”

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1962.

**SEC. 15. GAIN FROM CERTAIN SALES OR EXCHANGES OF STOCK IN CERTAIN FOREIGN CORPORATIONS.**

(a) **TREATMENT OF GAIN FROM THE REDEMPTION, CANCELLATION, OR SALE OF STOCK IN CERTAIN FOREIGN CORPORATIONS.**—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding after section 1247 (as added by section 14 of this Act) the following new section:

*Ante*, p. 1037.

**“SEC. 1248. GAIN FROM CERTAIN SALES OR EXCHANGES OF STOCK IN CERTAIN FOREIGN CORPORATIONS.**

“(a) **GENERAL RULE.**—If—

“(1) a United States person sells or exchanges stock in a foreign corporation, or if a United States person receives a distribution from a foreign corporation which, under section 302 or 331, is treated as an exchange of stock, and

26 USC 302, 331.

“(2) such person owns, within the meaning of section 958(a), or is considered as owning by applying the rules of ownership of section 958(b), 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such foreign corporation at any time during the 5-year period ending on the date of the sale or exchange when such foreign corporation was a controlled foreign corporation (as defined in section 957),

*Ante*, p. 1018.

*Ante*, p. 1017.

then the gain recognized on the sale or exchange of such stock shall be included in the gross income of such person as a dividend, to the extent of the earnings and profits of the foreign corporation attributable (under regulations prescribed by the Secretary or his delegate) to such stock which were accumulated in taxable years of such foreign corporation beginning after December 31, 1962, and during the period or periods the stock sold or exchanged was held by such person while such foreign corporation was a controlled foreign corporation.

26 USC 1221.

“(b) **LIMITATION ON TAX APPLICABLE TO INDIVIDUALS.**—In the case of an individual, if the stock sold or exchanged is a capital asset (within the meaning of section 1221) and has been held for more than 6 months, the tax attributable to an amount included in gross income as a dividend under subsection (a) shall not be greater than a tax equal to the sum of—

“(1) a pro rata share of the excess of—

*Ante*, p. 1006.

“(A) the taxes that would have been paid by the foreign corporation with respect to its income had it been taxed under this chapter as a domestic corporation (but without allowance for deduction of, or credit for, taxes described in subparagraph (B)), for the period or periods the stock sold or exchanged was held by the United States person in taxable years beginning after December 31, 1962, while the foreign corporation was a controlled foreign corporation, adjusted for distributions and amounts previously included in gross income of a United States shareholder under section 951, over

“(B) the income, war profits, or excess profits taxes paid by the foreign corporation with respect to such income; and

“(2) an amount equal to the tax that would result by including in gross income, as gain from the sale or exchange of a capital asset held for more than 6 months, an amount equal to the excess of (A) the amount included in gross income as a dividend under subsection (a), over (B) the amount determined under paragraph (1).

“(c) **DETERMINATION OF EARNINGS AND PROFITS.**—

“(1) **IN GENERAL.**—For purposes of this section, the earnings and profits of any foreign corporation for any taxable year shall be determined according to rules substantially similar to those applicable to domestic corporations, under regulations prescribed by the Secretary or his delegate.

“(2) **EARNINGS AND PROFITS OF SUBSIDIARIES OF FOREIGN CORPORATIONS.**—If—

*Ante*, p. 1018.

“(A) subsection (a) applies to a sale or exchange by a United States person of stock of a foreign corporation and, by reason of the ownership of the stock sold or exchanged, such person owned within the meaning of section 958(a) (2) stock of any other foreign corporation; and

“(B) such person owned, within the meaning of section 958(a), or was considered as owning by applying the rules of ownership of section 958(b), 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such other foreign corporation at any time during the 5-year period ending on the date of the sale or exchange when such other foreign corporation was a controlled foreign corporation (as defined in section 957),

*Ante*, p. 1017.

then, for purposes of this section, the earnings and profits of the foreign corporation the stock of which is sold or exchanged which are attributable to the stock sold or exchanged shall be deemed

to include the earnings and profits of such other foreign corporation which—

“(C) are attributable (under regulations prescribed by the Secretary or his delegate) to the stock of such other foreign corporation which such person owned within the meaning of section 958(a)(2) (by reason of his ownership within the meaning of section 958(a)(1)(A) of the stock sold or exchanged) on the date of such sale or exchange; and

*Ante*, p. 1018.

“(D) were accumulated in taxable years of such other corporation beginning after December 31, 1962, and during the period or periods—

“(i) such other corporation was a controlled foreign corporation, and

“(ii) such person owned within the meaning of section 958(a)(2) the stock of such other foreign corporation.

“(d) EXCLUSIONS FROM EARNINGS AND PROFITS.—For purposes of this section, the following amounts shall be excluded, with respect to any United States person, from the earnings and profits of a foreign corporation:

“(1) AMOUNTS INCLUDED IN GROSS INCOME UNDER SECTION 951.—Earnings and profits of the foreign corporation attributable to any amount previously included in the gross income of such person under section 951, with respect to the stock sold or exchanged, but only to the extent the inclusion of such amount did not result in an exclusion of an amount from gross income under section 959.

*Ante*, p. 1006.

“(2) GAIN REALIZED FROM THE SALE OR EXCHANGE OF PROPERTY IN PURSUANCE OF A PLAN OF COMPLETE LIQUIDATION.—If a foreign corporation adopts a plan of complete liquidation in a taxable year of a foreign corporation beginning after December 31, 1962, and if section 337(a) would apply if such foreign corporation were a domestic corporation, earnings and profits of the foreign corporation attributable (under regulations prescribed by the Secretary or his delegate) to any net gain from the sale or exchange of property.

26 USC 337.

“(3) LESS DEVELOPED COUNTRY CORPORATIONS.—Earnings and profits accumulated by a foreign corporation while it was a less developed country corporation (as defined in section 902(d)), if the stock sold or exchanged was owned for a continuous period of at least 10 years, ending with the date of the sale or exchange, by the United States person who sold or exchanged such stock. In the case of stock sold or exchanged by a corporation, if United States persons who are individuals, estates, or trusts (each of whom owned within the meaning of section 958(a), or were considered as owning by applying the rules of ownership of section 958(b), 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such corporation) owned, or were considered as owning, at any time during the 10-year period ending on the date of the sale or exchange more than 50 percent of the total combined voting power of all classes of stock entitled to vote of such corporation, this paragraph shall apply only if such United States persons owned, or were considered as owning, at all times during the remainder of such 10-year period more than 50 percent of the total combined voting power of all classes of stock entitled to vote of such corporation. For purposes of this paragraph, stock owned by a United States person who is an individual, estate, or trust which was acquired by reason of the death of the predecessor in interest of such United States

*Ante*, p. 1000.



person shall be considered as owned by such United States person during the period such stock was owned by such predecessor in interest, and during the period such stock was owned by any other predecessor in interest if between such United States person and such other predecessor in interest there was no transfer other than by reason of the death of an individual.

“(4) UNITED STATES INCOME.—Any item includible in gross income of the foreign corporation under this chapter as income derived from sources within the United States of a foreign corporation engaged in trade or business in the United States.

“(5) AMOUNTS INCLUDED IN GROSS INCOME UNDER SECTION 1247.—If the United States person whose stock is sold or exchanged was a qualified shareholder (as defined in section 1247(c)) of a foreign corporation which was a foreign investment company (as described in section 1246(b)(1)), the earnings and profits of the foreign corporation for taxable years in which such person was a qualified shareholder.

“(e) SALES OR EXCHANGES OF STOCK IN CERTAIN DOMESTIC CORPORATIONS.—Under regulations prescribed by the Secretary or his delegate, if—

“(1) a United States person sells or exchanges stock of a domestic corporation, or receives a distribution from a domestic corporation which, under section 302 or 331, is treated as an exchange of stock, and

“(2) such domestic corporation was formed or availed of principally for the holding, directly or indirectly, of stock of one or more foreign corporations,

such sale or exchange shall, for purposes of this section, be treated as a sale or exchange of the stock of the foreign corporation or corporations held by the domestic corporation.

“(f) EXCEPTIONS.—This section shall not apply to—

“(1) distributions to which section 303 (relating to distributions in redemption of stock to pay death taxes) applies;

“(2) gain realized on exchanges to which section 356 (relating to receipt of additional consideration in certain reorganizations) applies; or

“(3) any amount to the extent that such amount is, under any other provision of this title, treated as—

“(A) a dividend,

“(B) gain from the sale of an asset which is not a capital asset, or

“(C) gain from the sale of an asset held for not more than 6 months.

“(g) TAXPAYER TO ESTABLISH EARNINGS AND PROFITS.—Unless the taxpayer establishes the amount of the earnings and profits of the foreign corporation to be taken into account under subsection (a), all gain from the sale or exchange shall be considered a dividend under subsection (a), and unless the taxpayer establishes the amount of foreign taxes to be taken into account under subsection (b), the limitation of such subsection shall not apply.”

(b) CLERICAL AMENDMENT.—The table of sections for such part IV is amended by adding at the end thereof the following:

“Sec. 1248. Gain from certain sales or exchanges of stock in certain foreign corporations.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to sales or exchanges occurring after December 31, 1962.

*Ante*, p. 1039.

*Ante*, p. 1036.

26 USC 302, 331.

26 USC 303.

26 USC 356.

## SEC. 16. SALES AND EXCHANGES OF PATENTS, ETC., TO CERTAIN FOREIGN CORPORATIONS.

(a) TREATMENT OF GAIN AS ORDINARY INCOME.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding after section 1248 (as added by section 15 of this Act) the following new section:

*Ante*, p. 1041.

### “SEC. 1249. GAIN FROM CERTAIN SALES OR EXCHANGES OF PATENTS, ETC., TO FOREIGN CORPORATIONS.

“(a) GENERAL RULE.—Except as provided in subsection (c), gain from the sale or exchange after December 31, 1962, of a patent, an invention, model, or design (whether or not patented), a copyright, a secret formula or process, or any other similar property right to any foreign corporation by any United States person (as defined in section 7701(a)(30)) which controls such foreign corporation shall, if such gain would (but for the provisions of this subsection) be gain from the sale or exchange of a capital asset or of property described in section 1231, be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231.

*Ante*, p. 988.

26 USC 1231.

“(b) CONTROL.—For purposes of subsection (a), control means, with respect to any foreign corporation, the ownership, directly or indirectly, of stock possessing more than 50 percent of the total combined voting power of all classes of stock entitled to vote. For purposes of this subsection, the rules for determining ownership of stock prescribed by section 958 shall apply.”

*Ante*, p. 1018.

(b) CLERICAL AMENDMENT.—The table of sections for such part IV is amended by adding at the end thereof the following:

“Sec. 1249. Gain from certain sales or exchanges of patents, etc., to foreign corporations.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1962.

## SEC. 17. TAX TREATMENT OF COOPERATIVES AND PATRONS.

(a) IN GENERAL.—Chapter 1 (relating to normal taxes and surtaxes) is amended by adding at the end thereof the following new subchapter:

### “Subchapter T—Cooperatives and Their Patrons

“Part I. Tax treatment of cooperatives.

“Part II. Tax treatment by patrons of patronage dividends.

“Part III. Definitions; special rules.

### “PART I—TAX TREATMENT OF COOPERATIVES

“Sec. 1381. Organizations to which part applies.

“Sec. 1382. Taxable income of cooperatives.

“Sec. 1383. Computation of tax where cooperative redeems non-qualified written notices of allocation.

### “SEC. 1381. ORGANIZATIONS TO WHICH PART APPLIES.

“(a) IN GENERAL.—This part shall apply to—

“(1) any organization exempt from tax under section 521 (relating to exemption of farmers' cooperatives from tax), and

26 USC 521.

“(2) any corporation operating on a cooperative basis other than an organization—

“(A) which is exempt from tax under this chapter,

“(B) which is subject to the provisions of—

“(i) part II of subchapter H (relating to mutual savings banks, etc.), or

26 USC 591-595.

26 USC 801-843.

“(ii) subchapter L (relating to insurance companies),

or

“(C) which is engaged in furnishing electric energy, or providing telephone service, to persons in rural areas.

26 USC 11, 1201.

“(b) **TAX ON CERTAIN FARMERS’ COOPERATIVES.**—An organization described in subsection (a) (1) shall be subject to the taxes imposed by section 11 or 1201.**“SEC. 1382. TAXABLE INCOME OF COOPERATIVES.**“(a) **GROSS INCOME.**—Except as provided in subsection (b), the gross income of any organization to which this part applies shall be determined without any adjustment (as a reduction in gross receipts, an increase in cost of goods sold, or otherwise) by reason of any allocation or distribution to a patron out of the net earnings of such organization.“(b) **PATRONAGE DIVIDENDS.**—In determining the taxable income of an organization to which this part applies, there shall not be taken into account amounts paid during the payment period for the taxable year—*Post*, p. 1049.

“(1) as patronage dividends (as defined in section 1388(a)), to the extent paid in money, qualified written notices of allocation (as defined in section 1388(c)), or other property (except nonqualified written notices of allocation (as defined in section 1388(d))) with respect to patronage occurring during such taxable year; or

*Post*, p. 1051.

“(2) in money or other property (except written notices of allocation) in redemption of a nonqualified written notice of allocation which was paid as a patronage dividend during the payment period for the taxable year during which the patronage occurred.

For purposes of this title, any amount not taken into account under the preceding sentence shall be treated in the same manner as an item of gross income and as a deduction therefrom.

*Ante*, p. 1045.“(c) **DEDUCTION FOR NONPATRONAGE DISTRIBUTIONS, ETC.**—In determining the taxable income of an organization described in section 1381(a) (1), there shall be allowed as a deduction (in addition to other deductions allowable under this chapter)—

“(1) amounts paid during the taxable year as dividends on its capital stock; and

“(2) amounts paid during the payment period for the taxable year—

“(A) in money, qualified written notices of allocation, or other property (except nonqualified written notices of allocation) on a patronage basis to patrons with respect to its earnings during such taxable year which are derived from business done for the United States or any of its agencies or from sources other than patronage, or

“(B) in money or other property (except written notices of allocation) in redemption of a nonqualified written notice of allocation which was paid, during the payment period for the taxable year during which the earnings were derived, on a patronage basis to a patron with respect to earnings derived from business or sources described in subparagraph (A).

“(d) **PAYMENT PERIOD FOR EACH TAXABLE YEAR.**—For purposes of subsections (b) and (c) (2), the payment period for any taxable year is the period beginning with the first day of such taxable year and ending with the fifteenth day of the ninth month following the close of such year. For purposes of subsections (b) (1) and (c) (2) (A), a

qualified check issued during the payment period shall be treated as an amount paid in money during such period if endorsed and cashed on or before the 90th day after the close of such period.

“(e) **PRODUCTS MARKETING UNDER POOLING ARRANGEMENTS.**—For purposes of subsection (b), in the case of a pooling arrangement for the marketing of products, the patronage shall (to the extent provided in regulations prescribed by the Secretary or his delegate) be treated as patronage occurring during the taxable year in which the pool closes.

“(f) **TREATMENT OF EARNINGS RECEIVED AFTER PATRONAGE OCCURRED.**—If any portion of the earnings from business done with or for patrons is includible in the organization's gross income for a taxable year after the taxable year during which the patronage occurred, then for purposes of applying subsection (b) to such portion the patronage shall, to the extent provided in regulations prescribed by the Secretary or his delegate, be considered to have occurred during the taxable year of the organization during which such earnings are includible in gross income.

**“SEC. 1383. COMPUTATION OF TAX WHERE COOPERATIVE REDEEMS NONQUALIFIED WRITTEN NOTICES OF ALLOCATION.**

“(a) **GENERAL RULE.**—If, under section 1382(b)(2) or (c)(2)(B), a deduction is allowable to an organization for the taxable year for amounts paid in redemption of nonqualified written notices of allocation, then the tax imposed by this chapter on such organization for the taxable year shall be the lesser of the following:

*Ante, p. 1046.*

“(1) the tax for the taxable year computed with such deduction; or

“(2) an amount equal to—

“(A) the tax for the taxable year computed without such deduction, minus

“(B) the decrease in tax under this chapter for any prior taxable year (or years) which would result solely from treating such nonqualified written notices of allocation as qualified written notices of allocation.

“(b) **SPECIAL RULES.**—

“(1) If the decrease in tax ascertained under subsection (a)(2)(B) exceeds the tax for the taxable year (computed without the deduction described in subsection (a)) such excess shall be considered to be a payment of tax on the last day prescribed by law for the payment of tax for the taxable year, and shall be refunded or credited in the same manner as if it were an overpayment for such taxable year.

“(2) For purposes of determining the decrease in tax under subsection (a)(2)(B), the stated dollar amount of any nonqualified written notice of allocation which is to be treated under such subsection as a qualified written notice of allocation shall be the amount paid in redemption of such written notice of allocation which is allowable as a deduction under section 1382(b)(2) or (c)(2)(B) for the taxable year.

“(3) If the tax imposed by this chapter for the taxable year is the amount determined under subsection (a)(2), then the deduction described in subsection (a) shall not be taken into account for any purpose of this subtitle other than for purposes of this section.

## **"PART II—TAX TREATMENT BY PATRONS OF PATRONAGE DIVIDENDS**

*"Sec. 1385. Amounts includible in patron's gross income.*

### **"SEC. 1385. AMOUNTS INCLUDIBLE IN PATRON'S GROSS INCOME.**

"(a) **GENERAL RULE.**—Except as otherwise provided in subsection (b), each person shall include in gross income—

"(1) the amount of any patronage dividend which is paid in money, a qualified written notice of allocation, or other property (except a nonqualified written notice of allocation), and which is received by him during the taxable year from an organization described in section 1381(a), and

"(2) any amount, described in section 1382(c) (2) (A) (relating to certain nonpatronage distributions by tax-exempt farmers' cooperatives), which is paid in money, a qualified written notice of allocation, or other property (except a nonqualified written notice of allocation), and which is received by him during the taxable year from an organization described in section 1381(a) (1).

"(b) **EXCLUSION FROM GROSS INCOME.**—Under regulations prescribed by the Secretary or his delegate, the amount of any patronage dividend, and any amount received on the redemption, sale, or other disposition of a nonqualified written notice of allocation which was paid as a patronage dividend, shall not be included in gross income to the extent that such amount—

"(1) is properly taken into account as an adjustment to basis of property, or

"(2) is attributable to personal, living, or family items.

"(c) **TREATMENT OF CERTAIN NONQUALIFIED WRITTEN NOTICES OF ALLOCATION.**—

"(1) **APPLICATION OF SUBSECTION.**—This subsection shall apply to any nonqualified written notice of allocation which—

"(A) was paid as a patronage dividend, or

"(B) was paid by an organization described in section 1381(a) (1) on a patronage basis with respect to earnings derived from business or sources described in section 1382(c) (2) (A).

"(2) **BASIS; AMOUNT OF GAIN.**—In the case of any nonqualified written notice of allocation to which this subsection applies, for purposes of this chapter—

"(A) the basis of such written notice of allocation in the hands of the patron to whom such written notice of allocation was paid shall be zero,

"(B) the basis of such written notice of allocation which was acquired from a decedent shall be its basis in the hands of the decedent, and

"(C) gain on the redemption, sale, or other disposition of such written notice of allocation by any person shall, to the extent that the stated dollar amount of such written notice of allocation exceeds its basis, be considered as gain from the sale or exchange of property which is not a capital asset.

*Ante*, p. 1045.

*Ante*, p. 1046.

**"PART III—DEFINITIONS; SPECIAL RULES**

"Sec. 1388. Definitions; special rules.

**"SEC. 1388. DEFINITIONS; SPECIAL RULES.**

"(a) **PATRONAGE DIVIDEND.**—For purposes of this subchapter, the term 'patronage dividend' means an amount paid to a patron by an organization to which part I of this subchapter applies—

"(1) on the basis of quantity or value of business done with or for such patron,

"(2) under an obligation of such organization to pay such amount, which obligation existed before the organization received the amount so paid, and

"(3) which is determined by reference to the net earnings of the organization from business done with or for its patrons.

Such term does not include any amount paid to a patron to the extent that (A) such amount is out of earnings other than from business done with or for patrons, or (B) such amount is out of earnings from business done with or for other patrons to whom no amounts are paid, or to whom smaller amounts are paid, with respect to substantially identical transactions.

"(b) **WRITTEN NOTICE OF ALLOCATION.**—For purposes of this subchapter, the term 'written notice of allocation' means any capital stock, revolving fund certificate, retain certificate, certificate of indebtedness, letter of advice, or other written notice, which discloses to the recipient the stated dollar amount allocated to him by the organization and the portion thereof, if any, which constitutes a patronage dividend.

"(c) **QUALIFIED WRITTEN NOTICE OF ALLOCATION.**—

"(1) **DEFINED.**—For purposes of this subchapter, the term 'qualified written notice of allocation' means—

"(A) a written notice of allocation which may be redeemed in cash at its stated dollar amount at any time within a period beginning on the date such written notice of allocation is paid and ending not earlier than 90 days from such date, but only if the distributee receives written notice of the right of redemption at the time he receives such written notice of allocation; and

"(B) a written notice of allocation which the distributee has consented, in the manner provided in paragraph (2), to take into account at its stated dollar amount as provided in section 1385(a).

*Ante, p. 1048.*

Such term does not include any written notice of allocation which is paid as part of a patronage dividend or as part of a payment described in section 1382(c)(2)(A), unless 20 percent or more of the amount of such patronage dividend, or such payment, is paid in money or by qualified check.

*Ante, p. 1046.*

"(2) **MANNER OF OBTAINING CONSENT.**—A distributee shall consent to take a written notice of allocation into account as provided in paragraph (1)(B) only by—

"(A) making such consent in writing,

"(B) obtaining or retaining membership in the organization after—

"(i) such organization has adopted (after the date of the enactment of the Revenue Act of 1962) a bylaw providing that membership in the organization constitutes such consent, and

"(ii) he has received a written notification and copy of such bylaw, or

“(C) if neither subparagraph (A) nor (B) applies, endorsing and cashing a qualified check, paid as a part of the patronage dividend or payment of which such written notice of allocation is also a part, on or before the 90th day after the close of the payment period for the taxable year of the organization for which such patronage dividend or payment is paid.

“(3) PERIOD FOR WHICH CONSENT IS EFFECTIVE.—

“(A) GENERAL RULE.—Except as provided in subparagraph (B)—

“(i) a consent described in paragraph (2) (A) shall be a consent with respect to all patronage of the distributee with the organization occurring (determined with the application of section 1382(e)) during the taxable year of the organization during which such consent is made and all subsequent taxable years of the organization; and

“(ii) a consent described in paragraph (2) (B) shall be a consent with respect to all patronage of the distributee with the organization occurring (determined without the application of section 1382(e)) after he received the notification and copy described in paragraph (2) (B) (ii).

“(B) REVOCATION, ETC.—

“(i) Any consent described in paragraph (2) (A) may be revoked (in writing) by the distributee at any time. Any such revocation shall be effective with respect to patronage occurring on or after the first day of the first taxable year of the organization beginning after the revocation is filed with such organization; except that in the case of a pooling arrangement described in section 1382(e), a revocation made by a distributee shall not be effective as to any pool with respect to which the distributee has been a patron before such revocation.

“(ii) Any consent described in paragraph (2) (B) shall not be effective with respect to any patronage occurring (determined without the application of section 1382(e)) after the distributee ceases to be a member of the organization or after the bylaws of the organization cease to contain the provision described in paragraph (2) (B) (i).

“(4) QUALIFIED CHECK.—For purposes of this subchapter, the term ‘qualified check’ means only a check (or other instrument which is redeemable in money) which is paid as a part of a patronage dividend, or as a part of a payment described in section 1382(c) (2) (A), to a distributee who has not given consent as provided in paragraph (2) (A) or (B) with respect to such patronage dividend or payment, and on which there is clearly imprinted a statement that the endorsement and cashing of the check (or other instrument) constitutes the consent of the payee to include in his gross income, as provided in the Federal income tax laws, the stated dollar amount of the written notice of allocation which is a part of the patronage dividend or payment of which such qualified check is also a part. Such term does not include any check (or other instrument) which is paid as part of a patronage dividend or payment which does not include a written notice of allocation (other than a written notice of allocation described in paragraph (1) (A)).

*Ante*, p. 1047.

*Ante*, p. 1046.

“(d) **NONQUALIFIED WRITTEN NOTICE OF ALLOCATION.**—For purposes of this subchapter, the term ‘nonqualified written notice of allocation’ means a written notice of allocation which is not described in subsection (c) or a qualified check which is not cashed on or before the 90th day after the close of the payment period for the taxable year for which the distribution of which it is a part is paid.

“(e) **DETERMINATION OF AMOUNT PAID OR RECEIVED.**—For purposes of this subchapter, in determining amounts paid or received—

“(1) property (other than a written notice of allocation) shall be taken into account at its fair market value, and

“(2) a qualified written notice of allocation shall be taken into account at its stated dollar amount.”

(b) **TECHNICAL AMENDMENTS.**—

(1) Section 521(a) (relating to exemption of farmers’ cooperatives from tax) is amended by striking out “section 522” each place it appears therein and inserting in lieu thereof “part I of subchapter T (sec. 1381 and following)”.

26 USC 521.

(2) Section 522 (relating to tax on farmers’ cooperatives) is hereby repealed.

Ante, p. 1045.

Repeal.  
26 USC 522.

(3) Section 6072(d) (relating to time for filing income tax returns of exempt cooperative associations) is amended to read as follows:

26 USC 6072.

“(d) **RETURNS OF COOPERATIVE ASSOCIATIONS.**—In the case of an income tax return of—

“(1) an exempt cooperative association described in section 1381(a) (1), or

Ante, p. 1045.

“(2) an organization described in section 1381(a) (2) which is under an obligation to pay patronage dividends (as defined in section 1388(a)) in an amount equal to at least 50 percent of its net earnings from business done with or for its patrons, or which paid patronage dividends in such an amount out of the net earnings from business done with or for patrons during the most recent taxable year for which it had such net earnings,

Ante, p. 1049.

a return made on the basis of a calendar year shall be filed on or before the 15th day of September following the close of the calendar year, and a return made on the basis of a fiscal year shall be filed on or before the 15th day of the 9th month following the close of the fiscal year.”

(4) The table of subchapters for chapter 1 is amended by adding at the end thereof the following:

“SUBCHAPTER T. Cooperatives and their patrons.”

(5) The table of sections for part III of subchapter F of chapter 1 is amended by striking out the last line thereof.

(c) **EFFECTIVE DATES.**—

(1) **FOR THE COOPERATIVES.**—Except as provided in paragraph (3), the amendments made by subsections (a) and (b) shall apply to taxable years of organizations described in section 1381(a) of the Internal Revenue Code of 1954 (as added by subsection (a)) beginning after December 31, 1962.

(2) **FOR THE PATRONS.**—Except as provided in paragraph (3), section 1385 of the Internal Revenue Code of 1954 (as added by subsection (a)) shall apply with respect to any amount received from any organization described in section 1381(a) of such Code, to the extent that such amount is paid by such organization in a taxable year of such organization beginning after December 31, 1962.

Ante, p. 1048.

(3) **APPLICATION OF EXISTING LAW.**—In the case of any money, written notice of allocation, or other property paid by any organization described in section 1381(a)—



(A) before the first day of the first taxable year of such organization beginning after December 31, 1962, or

(B) on or after such first day with respect to patronage occurring before such first day,

the tax treatment of such money, written notice of allocation, or other property (including the tax treatment of gain or loss on the redemption, sale, or other disposition of such written notice of allocation) by any person shall be made under the Internal Revenue Code of 1954 without regard to subchapter T of chapter 1 of such Code.

*Ante*, p. 1045.

#### SEC. 18. INCLUSION OF FOREIGN REAL PROPERTY IN GROSS ESTATE.

##### (a) AMENDMENTS TO INCLUDE FOREIGN REAL PROPERTY.—

26 USC 2031.

(1) Section 2031(a) (relating to definition of gross estate) is amended by striking out “, except real property situated outside of the United States”.

26 USC 2001 *et seq.*

(2) The following provisions of chapter 11 (imposing an estate tax) are amended by striking out “(except real property situated outside of the United States)”:

(A) section 2033 (relating to property in which the decedent had an interest),

(B) section 2034 (relating to dower or curtesy interests),

(C) section 2035(a) (relating to transactions in contemplation of death),

(D) section 2036(a) (relating to transfers with retained life estate),

(E) section 2037(a) (relating to transfers taking effect at death),

(F) section 2038(a) (relating to revocable transfers),

(G) section 2040 (relating to joint interests), and

(H) section 2041(a) (relating to powers of appointment).

##### (b) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by subsection (a) shall apply to the estates of decedents dying after the date of the enactment of this Act.

(2) In the case of a decedent dying after the date of the enactment of this Act and before July 1, 1964, the value of real property situated outside of the United States shall not be included in the gross estate (as defined in section 2031(a)) of the decedent—

26 USC 2033-2038.

(A) under section 2033, 2034, 2035(a), 2036(a), 2037(a), or 2038(a) to the extent the real property, or the decedent's interest in it, was acquired by the decedent before February 1, 1962;

26 USC 2040.

(B) under section 2040 to the extent such property or interest was acquired by the decedent before February 1, 1962, or was held by the decedent and the survivor in a joint tenancy or tenancy by the entirety before February 1, 1962; or

26 USC 2041.

(C) under section 2041(a) to the extent that before February 1, 1962, such property or interest was subject to a general power of appointment (as defined in section 2041) possessed by the decedent.

In the case of real property, or an interest therein, situated outside of the United States (including a general power of appointment in respect of such property or interest, and including property held by the decedent and the survivor in a joint tenancy or tenancy by the entirety) which was acquired by the decedent after January 31, 1962, by gift within the meaning of section 2511, or from a prior decedent by devise or inheritance, or by reason of death, form of ownership, or other conditions (including the exer-

26 USC 2511.

cise or nonexercise of a power of appointment), for purposes of this paragraph such property or interest therein shall be deemed to have been acquired by the decedent before February 1, 1962, if before that date the donor or prior decedent had acquired the property or his interest therein or had possessed a power of appointment in respect of the property or interest.

**SEC. 19. REPORTING OF INTEREST, DIVIDEND, AND PATRONAGE DIVIDEND PAYMENTS OF \$10 OR MORE DURING A YEAR.**

(a) RETURNS REGARDING PAYMENT OF DIVIDENDS.—Section 6042 (relating to returns regarding corporate dividends, earnings, and profits) is amended to read as follows:

26 USC 6042.

**“SEC. 6042. RETURNS REGARDING PAYMENTS OF DIVIDENDS AND CORPORATE EARNINGS AND PROFITS.**

“(a) REQUIREMENT OF REPORTING.—

“(1) IN GENERAL.—Every person—

“(A) who makes payments of dividends aggregating \$10 or more to any other person during any calendar year, or

“(B) who receives payments of dividends as a nominee and who makes payments aggregating \$10 or more during any calendar year to any other person with respect to the dividends so received,

shall make a return according to the forms or regulations prescribed by the Secretary or his delegate, setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

“(2) RETURNS REQUIRED BY THE SECRETARY.—Every person who makes payments of dividends aggregating less than \$10 to any other person during any calendar year shall, when required by the Secretary or his delegate, make a return setting forth the aggregate amount of such payments, and the name and address of the person to whom paid.

“(b) DIVIDEND DEFINED.—

“(1) GENERAL RULE.—For purposes of this section, the term ‘dividend’ means—

“(A) any distribution by a corporation which is a dividend (as defined in section 316); and

“(B) any payment made by a stockbroker to any person as a substitute for a dividend (as so defined).

26 USC 316.

“(2) EXCEPTIONS.—For purposes of this section, the term ‘dividend’ does not include—

“(A) to the extent provided in regulations prescribed by the Secretary or his delegate, any distribution or payment—

“(i) by a foreign corporation, or

“(ii) to a foreign corporation, a nonresident alien, or a partnership not engaged in trade or business in the United States and composed in whole or in part of nonresident aliens; and

“(B) any amount described in section 1373 (relating to undistributed taxable income of electing small business corporations).

26 USC 1373.

“(3) SPECIAL RULE.—If the person making any payment described in subsection (a) (1) (A) or (B) is unable to determine the portion of such payment which is a dividend or is paid with respect to a dividend, he shall, for purposes of subsection (a) (1), treat the entire amount of such payment as a dividend or as an amount paid with respect to a dividend.

"(c) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Every person making a return under subsection (a) (1) shall furnish to each person whose name is set forth in such return a written statement showing—

"(1) the name and address of the person making such return, and

"(2) the aggregate amount of payments to the person as shown on such return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) (1) was made. No statement shall be required to be furnished to any person under this subsection if the aggregate amount of payments to such person as shown on the return made under subsection (a) (1) is less than \$10.

"(d) STATEMENTS TO BE FURNISHED BY CORPORATIONS TO SECRETARY.—Every corporation shall, when required by the Secretary or his delegate—

"(1) furnish to the Secretary or his delegate a statement stating the name and address of each shareholder, and the number of shares owned by each shareholder;

"(2) furnish to the Secretary or his delegate a statement of such facts as will enable him to determine the portion of the earnings and profits of the corporation (including gains, profits, and income not taxed) accumulated during such periods as the Secretary or his delegate may specify, which have been distributed or ordered to be distributed, respectively, to its shareholders during such taxable years as the Secretary or his delegate may specify; and

"(3) furnish to the Secretary or his delegate a statement of its accumulated earnings and profits and the names and addresses of the individuals or shareholders who would be entitled to such accumulated earnings and profits if divided or distributed, and of the amounts that would be payable to each."

26 USC 6044.

(b) RETURNS REGARDING PAYMENT OF PATRONAGE DIVIDENDS.—Section 6044 (relating to returns regarding patronage dividends) is amended to read as follows:

"SEC. 6044. RETURNS REGARDING PAYMENTS OF PATRONAGE DIVIDENDS.

"(a) REQUIREMENT OF REPORTING.—

"(1) IN GENERAL.—Except as otherwise provided in this section, every cooperative to which part I of subchapter T of chapter 1 applies, which makes payments of amounts described in subsection (b) aggregating \$10 or more to any person during any calendar year, shall make a return according to the forms or regulations prescribed by the Secretary or his delegate, setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

Ante, p. 1045.

"(2) RETURNS REQUIRED BY THE SECRETARY.—Every such cooperative which makes payments of amounts described in subsection (b) aggregating less than \$10 to any person during any calendar year shall, when required by the Secretary or his delegate, make a return setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

"(b) AMOUNTS SUBJECT TO REPORTING.—

"(1) GENERAL RULE.—Except as otherwise provided in this section, the amounts subject to reporting under subsection (a) are—

“(A) the amount of any patronage dividend (as defined in section 1388(a)) which is paid in money, qualified written notices of allocation (as defined in section 1388(c)), or other property (except nonqualified written notices of allocation as defined in section 1388(d)),

*Ante*, p. 1049.

“(B) any amount described in section 1382(c)(2)(A) (relating to certain nonpatronage distributions) which is paid in money, qualified written notices of allocation, or other property (except nonqualified written notices of allocation) by an organization exempt from tax under section 521 (relating to exemption of farmers’ cooperatives from tax), and

*Ante*, p. 1046.

26 USC 521.

“(C) any amount described in section 1382(b)(2) (relating to redemption of nonqualified written notices of allocation) and, in the case of an organization described in section 1381(a)(1), any amount described in section 1382(c)(2)(B) (relating to redemption of nonqualified written notices of allocation paid with respect to earnings derived from sources other than patronage).

*Ante*, p. 1045.

“(2) EXCEPTIONS.—The provisions of subsection (a) shall not apply, to the extent provided in regulations prescribed by the Secretary or his delegate, to any payment—

“(A) by a foreign corporation, or

“(B) to a foreign corporation, a nonresident alien, or a partnership not engaged in trade or business in the United States and composed in whole or in part of nonresident aliens.

“(c) EXEMPTION FOR CERTAIN CONSUMER COOPERATIVES.—A cooperative which the Secretary or his delegate determines is primarily engaged in selling at retail goods or services of a type that are generally for personal, living, or family use shall, upon application to the Secretary or his delegate, be granted exemption from the reporting requirements imposed by subsection (a). Application for exemption under this subsection shall be made in accordance with regulations prescribed by the Secretary or his delegate.

“(d) DETERMINATION OF AMOUNT PAID.—For purposes of this section, in determining the amount of any payment—

“(1) property (other than a qualified written notice of allocation) shall be taken into account at its fair market value, and

“(2) a qualified written notice of allocation shall be taken into account at its stated dollar amount.

“(e) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Every cooperative making a return under subsection (a)(1) shall furnish to each person whose name is set forth in such return a written statement showing—

“(1) the name and address of the cooperative making such return, and

“(2) the aggregate amount of payments to the person as shown on such return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a)(1) was made. No statement shall be required to be furnished to any person under this subsection if the aggregate amount of payments to such person as shown on the return made under subsection (a)(1) is less than \$10.”

(c) RETURNS REGARDING PAYMENT OF INTEREST.—Subpart B of part III of subchapter A of chapter 61 (relating to information returns) is amended by adding after section 6048 (as added by section 7(f) of this Act) the following new section:

*Ante*, p. 988.

**"SEC. 6049. RETURNS REGARDING PAYMENTS OF INTEREST.****"(a) REQUIREMENT OF REPORTING.—****"(1) IN GENERAL.—**Every person—

"(A) who makes payments of interest (as defined in subsection (b)) aggregating \$10 or more to any other person during any calendar year, or

"(B) who receives payments of interest as a nominee and who makes payments aggregating \$10 or more during any calendar year to any other person with respect to the interest so received,

shall make a return according to the forms or regulations prescribed by the Secretary or his delegate, setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

"(2) RETURNS REQUIRED BY THE SECRETARY.—Every person who makes payments of interest (as defined in subsection (b)) aggregating less than \$10 to any other person during any calendar year shall, when required by the Secretary or his delegate, make a return setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

"(3) OTHER RETURNS REQUIRED BY SECRETARY.—Every corporation making payments, regardless of amounts, of interest other than interest as defined in subsection (b) shall, when required by regulations prescribed by the Secretary or his delegate, make a return according to the forms or regulations prescribed by the Secretary or his delegate, setting forth the amount paid and the name and address of the recipient of each such payment.

**"(b) INTEREST DEFINED.—**

"(1) GENERAL RULE.—For purposes of subsections (a) (1) and (2), the term 'interest' means—

"(A) interest on evidences of indebtedness (including bonds, debentures, notes, and certificates) issued by a corporation in registered form, and, to the extent provided in regulations prescribed by the Secretary or his delegate, interest on other evidences of indebtedness issued by a corporation of a type offered by corporations to the public;

"(B) interest on deposits with persons carrying on the banking business;

"(C) amounts (whether or not designated as interest) paid by a mutual savings bank, savings and loan association, building and loan association, cooperative bank, homestead association, credit union, or similar organization, in respect of deposits, investment certificates, or withdrawable or repurchasable shares;

"(D) interest on amounts held by an insurance company under an agreement to pay interest thereon; and

"(E) interest on deposits with stockbrokers and dealers in securities.

"(2) EXCEPTIONS.—For purposes of subsections (a) (1) and (2), the term 'interest' does not include—

"(A) interest on obligations described in section 103(a) (1) or (3) (relating to interest on certain governmental obligations);

"(B) to the extent provided in regulations prescribed by the Secretary or his delegate, any amount paid by or to a foreign corporation, a nonresident alien, or a partnership not engaged in trade or business in the United States and composed in whole or in part of nonresident aliens; and

“(C) any amount on which the person making payment is required to deduct and withhold a tax under section 1451 (relating to tax-free covenant bonds), or would be so required but for section 1451(d) (relating to benefit of personal exemptions).

26 USC 1451.

“(c) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Every person making a return under subsection (a) (1) shall furnish to each person whose name is set forth in such return a written statement showing—

“(1) the name and address of the person making such return, and

“(2) the aggregate amount of payments to the person as shown on such return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) (1) was made. No statement shall be required to be furnished to any person under this subsection if the aggregate amount of payments to such person as shown on the return made under subsection (a) (1) is less than \$10.”

(d) PENALTIES FOR FAILURE TO FILE INFORMATION RETURNS.—Section 6652 (relating to failure to file certain information returns) is amended to read as follows:

26 USC 6652.

**“SEC. 6652. FAILURE TO FILE CERTAIN INFORMATION RETURNS.**

“(a) RETURNS RELATING TO PAYMENTS OF DIVIDENDS, INTEREST, AND PATRONAGE DIVIDENDS.—In the case of each failure to file a statement of the aggregate amount of payments to another person required by section 6042(a) (1) (relating to payments of dividends aggregating \$10 or more), section 6044(a) (1) (relating to payments of patronage dividends aggregating \$10 or more), or section 6049(a) (1) (relating to payments of interest aggregating \$10 or more), on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall be paid (upon notice and demand by the Secretary or his delegate and in the same manner as tax), by the person failing to so file the statement, \$10 for each such statement not so filed, but the total amount imposed on the delinquent person for all such failures during any calendar year shall not exceed \$25,000.

*Ante*, p. 1053.*Ante*, p. 1054.*Ante*, p. 1056.

“(b) OTHER RETURNS.—In the case of each failure to file a statement of a payment to another person required under authority of section 6041 (relating to certain information at source), section 6042(a) (2) (relating to payments of dividends aggregating less than \$10), section 6044(a) (2) (relating to payments of patronage dividends aggregating less than \$10), section 6049(a) (2) (relating to payments of interest aggregating less than \$10), section 6049(a) (3) (relating to other payments of interest by corporations), or section 6051(d) (relating to information returns with respect to income tax withheld), on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall be paid (upon notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing to so file the statement, \$1 for each such statement not so filed, but the total amount imposed on the delinquent person for all such failures during the calendar year shall not exceed \$1,000.

26 USC 6051.

“(c) ALCOHOL AND TOBACCO TAXES.—

“For penalties for failure to file certain information returns with respect to alcohol and tobacco taxes, see, generally, subtitle E.”

(e) PENALTIES FOR FAILURE TO FURNISH STATEMENTS TO PERSONS WITH RESPECT TO WHOM RETURNS ARE FILED.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6677 (as added by section 7(g) of this Act) the following new section:

*Ante*, p. 988.

“SEC. 6678. FAILURE TO FURNISH CERTAIN STATEMENTS.

“In the case of each failure to furnish a statement under section 6042(c), 6044(e), or 6049(c) on the date prescribed therefor to a person with respect to whom a return has been made under section 6042(a)(1), 6044(a)(1), or 6049(a)(1), respectively, unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall be paid (upon notice and demand by the Secretary or his delegate and in the same manner as tax), by the person failing to so furnish the statement, \$10 for each such statement not so furnished, but the total amount imposed on the delinquent person for all such failures during any calendar year shall not exceed \$25,000.”

*Ante*, pp. 1054-1056.

26 USC 6041.

(f) TECHNICAL AMENDMENTS.—Section 6041 (relating to information at source) is amended—

(1) by striking out, in subsection (a) thereof, “(other than payments described in section 6042(1) or section 6045)” and inserting in lieu thereof “(other than payments to which section 6042(a)(1), 6044(a)(1), or 6049(a)(1) applies, and other than payments with respect to which a statement is required under the authority of section 6042(a)(2), 6044(a)(2), 6045, 6049(a)(2), or 6049(a)(3))”; and

(2) by striking out subsection (c) thereof.

(g) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart B of part III of subchapter A of chapter 61 is amended—

(A) by striking out

“Sec. 6042. Returns regarding corporate dividends, earnings, and profits.”

and inserting in lieu thereof

“Sec. 6042. Returns regarding payments of dividends and corporate earnings and profits.”;

(B) by striking out

“Sec. 6044. Returns regarding patronage dividends.”

and inserting in lieu thereof

“Sec. 6044. Returns regarding payments of patronage dividends.”;

and

(C) by adding at the end of such table the following:

“Sec. 6049. Returns regarding payments of interest.”

(2) The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following:

“Sec. 6678. Failure to furnish certain statements.”

(h) EFFECTIVE DATES.—

(1) DIVIDENDS AND INTEREST.—The amendments made by this section shall apply to payments of dividends and interest made on or after January 1, 1963.

(2) PATRONAGE DIVIDENDS.—The amendments made by this section shall apply to payments of amounts described in section 6044(b) of the Internal Revenue Code of 1954 made on or after January 1, 1963, with respect to patronage occurring on or after the first day of the first taxable year of the cooperative beginning on or after January 1, 1963.

**SEC. 20. INFORMATION WITH RESPECT TO CERTAIN FOREIGN ENTITIES.**

(a) INFORMATION TO BE FURNISHED BY INDIVIDUALS, DOMESTIC CORPORATIONS, ETC., WITH RESPECT TO CERTAIN FOREIGN CORPORATIONS.—Section 6038 is amended to read as follows:

74 Stat. 1014.  
26 USC 6038.

**“SEC. 6038. INFORMATION WITH RESPECT TO CERTAIN FOREIGN CORPORATIONS.****“(a) REQUIREMENT.—**

“(1) IN GENERAL.—Every United States person shall furnish, with respect to any foreign corporation which such person controls (within the meaning of subsection (d) (1)), such information as the Secretary or his delegate may prescribe by regulations relating to—

“(A) the name, the principal place of business, and the nature of business of such foreign corporation, and the country under whose laws incorporated;

“(B) the accumulated profits (as defined in section 902(c)) of such foreign corporation, including the items of income (whether or not included in gross income under chapter 1), deductions (whether or not allowed in computing taxable income under chapter 1), and any other items taken into account in computing such accumulated profits;

*Ante*, p. 1000.

“(C) a balance sheet for such foreign corporation listing assets, liabilities, and capital;

“(D) transactions between such foreign corporation and—

“(i) such person,

“(ii) any other corporation which such person controls, and

“(iii) any United States person owning, at the time the transaction takes place, 10 percent or more of the value of any class of stock outstanding of such foreign corporation; and

“(E) a description of the various classes of stock outstanding, and a list showing the name and address of, and number of shares held by, each United States person who is a shareholder of record owning at any time during the annual accounting period 5 percent or more in value of any class of stock outstanding of such foreign corporation.

The Secretary or his delegate may also require the furnishing of any other information which is similar or related in nature to that specified in the preceding sentence.

“(2) PERIOD FOR WHICH INFORMATION IS TO BE FURNISHED, ETC.—The information required under paragraph (1) shall be furnished for the annual accounting period of the foreign corporation ending with or within the United States person's taxable year. The information so required shall be furnished at such time and in such manner as the Secretary or his delegate shall by regulations prescribe.

“(3) LIMITATION.—No information shall be required to be furnished under this subsection with respect to any foreign corporation for any annual accounting period unless such information was required to be furnished under regulations in effect on the first day of such annual accounting period.

**“(b) EFFECT OF FAILURE TO FURNISH INFORMATION.—**

“(1) IN GENERAL.—If a United States person fails to furnish, within the time prescribed under paragraph (2) of subsection (a), any information with respect to any foreign corporation required under paragraph (1) of subsection (a), then—



26 USC 901;  
*Ante*, pp. 1001,  
1031.

26 USC 904.

*Ante*, p. 999.

*Ante*, p. 1020.

“(A) in applying section 901 (relating to taxes of foreign countries and possessions of the United States) to such United States person for the taxable year, the amount of taxes (other than taxes reduced under subparagraph (B)) paid or deemed paid (other than those deemed paid under section 904(d)) to any foreign country or possession of the United States for the taxable year shall be reduced by 10 percent, and

“(B) in applying sections 902 (relating to foreign tax credit for corporate stockholder in foreign corporation) and 960 (relating to special rules for foreign tax credit) to any such United States person which is a corporation (or to any person who acquires from any other person any portion of the interest of such other person in any such foreign corporation, but only to the extent of such portion) for any taxable year, the amount of taxes paid or deemed paid by each foreign corporation with respect to which such person is required to furnish information during the annual accounting period or periods with respect to which such information is required under paragraph (2) of subsection (a) shall be reduced by 10 percent.

If such failure continues 90 days or more after notice by the Secretary or his delegate to the United States person, then the amount of the reduction under this paragraph shall be 10 percent plus an additional 5 percent for each 3-month period, or fraction thereof, during which such failure to furnish information continues after the expiration of such 90-day period.

“(2) **LIMITATION.**—The amount of the reduction under paragraph (1) for each failure to furnish information with respect to a foreign corporation required under subsection (a) (1) shall not exceed whichever of the following amounts is the greater:

“(A) \$10,000, or

“(B) the income of the foreign corporation for its annual accounting period with respect to which the failure occurs.

“(3) **SPECIAL RULES.**—

“(A) No taxes shall be reduced under this subsection more than once for the same failure.

“(B) For purposes of this subsection, the time prescribed under paragraph (2) of subsection (a) to furnish information (and the beginning of the 90-day period after notice by the Secretary) shall be treated as being not earlier than the last day on which (as shown to the satisfaction of the Secretary or his delegate) reasonable cause existed for failure to furnish such information.

“(C) In applying subsections (a) and (b) of section 902, and in applying subsection (a) of section 960, the reduction provided by this subsection shall not apply for purposes of determining the amount of accumulated profits in excess of income, war profits, and excess profits taxes.

“(c) **TWO OR MORE PERSONS REQUIRED TO FURNISH INFORMATION WITH RESPECT TO SAME FOREIGN CORPORATION.**—Where, but for this subsection, two or more United States persons would be required to furnish information under subsection (a) with respect to the same foreign corporation for the same period, the Secretary or his delegate may by regulations provide that such information shall be required only from one person. To the extent practicable, the determination of which person shall furnish the information shall be made on the basis of actual ownership of stock.

“(d) DEFINITIONS.—For purposes of this section—

“(1) CONTROL.—A person is in control of a corporation if such person owns stock possessing more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or more than 50 percent of the total value of shares of all classes of stock, of a corporation. If a person is in control (within the meaning of the preceding sentence) of a corporation which in turn owns more than 50 percent of the total combined voting power of all classes of stock entitled to vote of another corporation, or owns more than 50 percent of the total value of the shares of all classes of stock of another corporation, then such person shall be treated as in control of such other corporation. For purposes of this paragraph, the rules prescribed by section 318(a) for determining ownership of stock shall apply; except that—

26 USC 318.

“(A) the second sentence of subparagraphs (A) and (B), and clause (ii) of subparagraph (C), of section 318(a)(2) shall not be applied so as to consider a United States person as owning stock which is owned by a person who is not a United States person, and

“(B) in applying clause (i) of subparagraph (C) of section 318(a)(2), the phrase ‘10 percent’ shall be substituted for the phrase ‘50 percent’ used in subparagraph (C).

“(2) ANNUAL ACCOUNTING PERIOD.—The annual accounting period of a foreign corporation is the annual period on the basis of which such corporation regularly computes its income in keeping its books.

“(e) CROSS REFERENCES.—

“(1) For provisions relating to penalties for violations of this section, see section 7203.

“(2) For definition of the term ‘United States person’, see section 7701(a)(30).”

(b) INFORMATION AS TO ORGANIZATION OR REORGANIZATION OF FOREIGN CORPORATIONS AND AS TO ACQUISITIONS OF THEIR STOCK.—Section 6046 (relating to returns as to creation or organization, or reorganization, of foreign corporations) is amended to read as follows:

74 Stat. 1016.  
26 USC 6046.

**“SEC. 6046. RETURNS AS TO ORGANIZATION OR REORGANIZATION OF FOREIGN CORPORATIONS AND AS TO ACQUISITIONS OF THEIR STOCK.**

“(a) REQUIREMENT OF RETURN.—A return complying with the requirements of subsection (b) shall be made by—

“(1) each United States citizen or resident who is on January 1, 1963, an officer or director of a foreign corporation, 5 percent or more in value of the stock of which is owned by a United States person (as defined in section 7701(a)(30)), or who becomes such an officer or director at any time after such date,

*Ante*, p. 988.

“(2) each United States person who on January 1, 1963, owns 5 percent or more in value of the stock of a foreign corporation, or who, at any time after such date—

“(A) acquires stock which, when added to any stock owned on January 1, 1963, has a value equal to 5 percent or more of the value of the stock of a foreign corporation, or

“(B) acquires an additional 5 percent or more in value of the stock of a foreign corporation, and

“(3) each person who at any time after January 1, 1963, becomes a United States person while owning 5 percent or more in value of the stock of a foreign corporation.

“(b) FORM AND CONTENTS OF RETURNS.—The returns required by subsection (a) shall be in such form and shall set forth, in respect of

the foreign corporation, such information as the Secretary or his delegate prescribes by forms or regulations as necessary for carrying out the provisions of the income tax laws, except that in the case of persons described only in subsection (a) (1) the information required shall be limited to the names and addresses of persons described in subsection (a) (2).

“(c) **OWNERSHIP OF STOCK.**—For purposes of subsection (a), stock owned directly or indirectly by a person (including, in the case of an individual, stock owned by members of his family) shall be taken into account. For purposes of the preceding sentence, the family of an individual shall be considered as including only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

“(d) **TIME FOR FILING.**—Any return required by subsection (a) shall be filed on or before the 90th day after the day on which, under any provision of subsection (a), the United States citizen, resident, or person becomes liable to file such return.

“(e) **LIMITATION.**—

“(1) **GENERAL RULE.**—Except as provided in paragraph (2), no information shall be required to be furnished under this section with respect to any foreign corporation unless such information was required to be furnished under regulations which have been in effect for at least 90 days before the date on which the United States citizen, resident, or person becomes liable to file a return required under subsection (a).

“(2) **EXCEPTION.**—In the case of liability to file a return under subsection (a) arising on or after January 1, 1963, and before June 1, 1963—

“(A) no information shall be required to be furnished under this section with respect to any foreign corporation unless such information was required to be furnished under regulations in effect on or before March 1, 1963, and

“(B) if the date on which such regulations become effective is later than the day on which such liability arose, any return required by subsection (a) shall (in lieu of the time prescribed by subsection (d)) be filed on or before the 90th day after such date.

“(f) **CROSS REFERENCE.**—

“For provisions relating to penalties for violations of this section, see sections 6679 and 7203.”

*Ante*, p. 1058.

(c) **CIVIL PENALTY FOR FAILURE TO FILE RETURN.**—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6678 (as added by section 19(e) of this Act) the following new section:

**“SEC. 6679. FAILURE TO FILE RETURNS AS TO ORGANIZATION OR REORGANIZATION OF FOREIGN CORPORATIONS AND AS TO ACQUISITIONS OF THEIR STOCK.**

*Ante*, p. 1061.

“(a) **CIVIL PENALTY.**—In addition to any criminal penalty provided by law, any person required to file a return under section 6046 who fails to file such return at the time provided in such section, or who files a return which does not show the information required pursuant to such section, shall pay a penalty of \$1,000, unless it is shown that such failure is due to reasonable cause.

“(b) **DEFICIENCY PROCEDURES NOT TO APPLY.**—Subchapter B of chapter 63 (relating to deficiency procedure for income, estate, and gift taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).”

## (d) TECHNICAL AMENDMENTS.—

(1) Section 318(b) (relating to cross references) is amended by striking out “and” at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof “; and”, and by adding at the end thereof the following:

26 USC 318.

“(7) section 6038(d)(1) (relating to information with respect to certain foreign corporations).”

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by striking out

“Sec. 6046. Returns as to creation or organization, or reorganization, of foreign corporations.”

and inserting in lieu thereof

“Sec. 6046. Returns as to organization or reorganization of foreign corporations and as to acquisitions of their stock.”

(3) The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following:

“Sec. 6679. Failure to file returns as to organization or reorganization of foreign corporations and as to acquisitions of their stock.”

## (e) EFFECTIVE DATE.—

(1) The amendments made by subsection (a) shall apply with respect to annual accounting periods of foreign corporations beginning after December 31, 1962.

(2) The amendments made by subsection (b) shall take effect on January 1, 1963.

**SEC. 21. EXPENDITURES BY FARMERS FOR CLEARING LAND.**

(a) ALLOWANCE OF DEDUCTION.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 181 (as added by section 2(c) of this Act) the following new section:

Ante, p. 971.

**“SEC. 182. EXPENDITURES BY FARMERS FOR CLEARING LAND.**

“(a) IN GENERAL.—A taxpayer engaged in the business of farming may elect to treat expenditures which are paid or incurred by him during the taxable year in the clearing of land for the purpose of making such land suitable for use in farming as expenses which are not chargeable to capital account. The expenditures so treated shall be allowed as a deduction.

“(b) LIMITATION.—The amount deductible under subsection (a) for any taxable year shall not exceed whichever of the following amounts is the lesser:

“(1) \$5,000, or

“(2) 25 percent of the taxable income derived from farming during the taxable year.

For purposes of paragraph (2), the term ‘taxable income derived from farming’ means the gross income derived from farming reduced by the deductions allowed by this chapter (other than by this section) which are attributable to the business of farming.

“(c) DEFINITIONS.—For purposes of subsection (a)—

“(1) The term ‘clearing of land’ includes (but is not limited to) the eradication of trees, stumps, and brush, the treatment or moving of earth, and the diversion of streams and watercourses.

“(2) The term ‘land suitable for use in farming’ means land which as a result of the activities described in paragraph (1) is suitable for use by the taxpayer or his tenant for the production of crops, fruits, or other agricultural products or for the sustenance of livestock.

“(d) EXCEPTIONS, ETC.—

“(1) EXCEPTIONS.—The expenditures to which subsection (a) applies shall not include—

26 USC 167.

“(A) the purchase, construction, installation, or improvement of structures, appliances, or facilities which are of a character which is subject to the allowance for depreciation provided in section 167, or

“(B) any amount paid or incurred which is allowable as a deduction without regard to this section.

“(2) CERTAIN PROPERTY USED IN THE CLEARING OF LAND.—

“(A) ALLOWANCE FOR DEPRECIATION.—The expenditures to which subsection (a) applies shall include a reasonable allowance for depreciation with respect to property of the taxpayer which is used in the clearing of land for the purpose of making such land suitable for use in farming and which, if used in a trade or business, would be property subject to the allowance for depreciation provided by section 167.

“(B) TREATMENT AS DEPRECIATION DEDUCTION.—For purposes of this chapter, any expenditure described in subparagraph (A) shall, to the extent allowed as a deduction under subsection (a), be treated as an amount allowed under section 167 for exhaustion, wear and tear, or obsolescence of the property which is used in the clearing of land.

“(e) ELECTION.—The election under subsection (a) for any taxable year shall be made within the time prescribed by law (including extensions thereof) for filing the return for such taxable year. Such election shall be made in such manner as the Secretary or his delegate may by regulations prescribe. Such election may not be revoked except with the consent of the Secretary or his delegate.”

26 USC 263.

(b) CONFORMING AMENDMENT.—Section 263(a)(1) (relating to disallowance of deductions for capital expenditures) is amended by striking out “or” at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting “, or”, and by adding at the end thereof the following new subparagraph:

“(E) expenditures by farmers for clearing land deductible under section 182.”

(c) CLERICAL AMENDMENT.—The table of sections for such part VI is amended by adding at the end thereof the following:

“Sec. 182. Expenditures by farmers for clearing land.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1962.

#### SEC. 22. CHARITABLE CONTRIBUTIONS MADE FROM INCOME ATTRIBUTABLE TO SEVERAL TAXABLE YEARS.

26 USC 1307.

(a) TREATMENT FOR PURPOSES OF PART I OF SUBCHAPTER Q.—Section 1307 (relating to rules applicable to part I of subchapter Q) is amended by adding at the end thereof the following new subsection:

“(e) ELECTION WITH RESPECT TO CHARITABLE CONTRIBUTIONS.—In the case of an individual who elects (in such manner and at such time as the Secretary or his delegate prescribes by regulations) to have the provisions of this subsection apply, an amount received or accrued to which this part applies shall be reduced, for purposes of computing the tax liability of the taxpayer under this part with respect to the amount so received or accrued, by an amount equal to that portion of (1) the amount of charitable contributions made by the taxpayer during the taxable year in which the amount is so received or accrued

which are allowable as a deduction for such year under section 170 (determined without regard to this part), as (2) the amount received or accrued to which this part applies is of the adjusted gross income for the taxable year (determined without regard to this part). In any case in which the taxpayer elects to have the provisions of the preceding sentence apply, for purposes of computing the limitation on tax under this part—

26 USC 170.

“(1) only the same proportion of the amount to which this part applies shall be taken into account for purposes of computing the limitations under section 170(b)(1) (A) and (B) for taxable years before the taxable year in which such amount is received or accrued as (A) the excess of the maximum amount which could, if the taxpayer had made additional contributions described in clause (i), (ii), or (iii) of section 170(b)(1)(A), have been described in clause (1) of the preceding sentence over the amount described in such clause (1), bears to (B) such maximum amount, and

“(2) the portion of the amount of charitable contributions described in the preceding sentence shall not be taken into account in computing the tax for the taxable year in which the amount to which this part applies is received or accrued.”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply with respect to amounts received or accrued in taxable years beginning after December 31, 1961.

**SEC. 23. EFFECTIVE DATE OF SECTION 1371(c) OF THE INTERNAL REVENUE CODE OF 1954.**

(a) **IN GENERAL.**—Subject to the provisions of subsection (b), section 1371(c) of the Internal Revenue Code of 1954 (as added by section 2(a) of the Act entitled “An Act to amend the Internal Revenue Code of 1954 to provide a personal exemption for children placed for adoption and to clarify certain provisions relating to the election of small business corporations as to taxable status”, approved September 23, 1959 (Public Law 86-376)), shall (notwithstanding the provisions of the first sentence of section 2(d) of such Act) also apply to taxable years beginning after December 31, 1957, and before January 1, 1960.

26 USC 1371.

(b) **ELECTION AND CONSENT BY CORPORATIONS; CONSENTS BY SHAREHOLDERS.**—Subsection (a) shall apply with respect to any corporation and its shareholders only if, within one year after the date of the enactment of this Act—

(1) such corporation (in such manner as the Secretary of the Treasury or his delegate prescribes by regulations) elects to have the provisions of subsection (a) apply and consents to the application of subsection (c); and

(2) each person who is a shareholder of such corporation on the date on which such corporation makes such election, and each person who was a shareholder of such corporation during any taxable year of such corporation beginning after December 31, 1957, and ending before the date of such election, consents (in such manner and at such time as the Secretary of the Treasury or his delegate prescribes by regulations) to such election and to the application of subsection (c).

(c) **TOLLING OF STATUTES OF LIMITATIONS.**—In any case in which a corporation makes an election under subsection (b)—

(1) if the assessment of any deficiency against the corporation making such election, or any shareholder of such corporation

who consents to such election, for any taxable year is prevented, at any time on or before the expiration of one year after the date of such election, by the operation of any law or rule of law, assessment of such deficiency may, nevertheless, be made, to the extent such deficiency is attributable to the application of subsection (a), at any time on or before the expiration of such one-year period; and

(2) if credit or refund of any overpayment of tax by the corporation making such election, or any shareholder of such corporation who consents to such election, for any taxable year is prevented, at any time on or before the expiration of one year after the date of such election, by the operation of any law or rule of law, credit or refund of such overpayment may, nevertheless, be allowed or made, to the extent such overpayment is attributable to the application of subsection (a), if claim therefor is filed on or before the expiration of such one-year period.

#### **SEC. 24. CERTAIN LOSSES SUSTAINED IN CONVERTING FROM STREET RAILWAY TO BUS OPERATIONS.**

(a) **IN GENERAL.**—If a corporation has a net operating loss for the taxable year ending December 31, 1953, or the taxable year ending December 31, 1954, principally as the result of conversion from street railways to bus operations with respect to part or all of the company's operations, then its unused conversion loss will be subject to the treatment provided in subsection (c).

(b) **UNUSED CONVERSION LOSS DEFINED.**—The amount of the unused conversion loss shall be the sum of the part of the net operating loss for each year described in subsection (a) which (without regard to this section) would be carried over to the sixth taxable year following the loss year if section 172(b) of the Internal Revenue Code of 1954 (or, where applicable, section 122(b)(2)(B) of the Internal Revenue Code of 1939) permitted such a carryover.

(c) **TREATMENT OF UNUSED CONVERSION LOSS.**—If a taxpayer has an unused conversion loss, then in determining the amount of the net operating loss carryover from the taxable year ending December 31, 1959, to each of the 5 taxable years following such taxable year for purposes of section 172 of the Internal Revenue Code of 1954, such unused conversion loss shall be treated as a net operating loss for the taxable year ending December 31, 1959. This subsection shall apply only for years in which the taxpayer is engaged in the furnishing or sale of transportation (as defined in section 1503(c)(1)(A) of the Internal Revenue Code of 1954).

(d) **REGULATIONS.**—The Secretary of the Treasury, or his delegate, may prescribe by regulation such rules as may be necessary to carry out the purposes of this section.

#### **SEC. 25. PENSION PLAN OF LOCAL UNION NUMBERED 435, INTERNATIONAL HOD CARRIERS' BUILDING AND COMMON LABORERS' UNION OF AMERICA.**

The pension plan of Local Union Numbered 435 of the International Hod Carriers' Building and Common Laborers' Union of America, which was negotiated to take effect May 1, 1960, pursuant to an agreement between such union and the Building Trades Employers Association of Rochester, New York, Incorporated, and which has been held by the Internal Revenue Service to constitute a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and to be exempt from taxation under section 501(a) of such Code, shall be held and considered to have been a qualified trust under such sec-

26 USC 172.

64 Stat. 938.

26 USC 1503.

26 USC 401.

26 USC 501.

tion 401(a), and to have been exempt from taxation under such section 501(a), for the period beginning May 1, 1960, and ending April 20, 1961, but only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust has not in this period been operated in a manner which would jeopardize the interests of its beneficiaries.

26 USC 401.

26 USC 501.

**SEC. 26. CONTINUATION OF A PARTNERSHIP YEAR FOR SURVIVING PARTNER IN A TWO-MAN PARTNERSHIP WHERE ONE DIES.**

(a) **CLOSE OF TAXABLE YEAR OF TWO-MAN PARTNERSHIP WHEN ONE PARTNER DIES.**—Section 188 of the Internal Revenue Code of 1939 (relating to different taxable years of partner and partnership) is amended—

53 Stat. 71.

(1) by striking out “If” and inserting in lieu thereof “(a) **GENERAL RULE.**—If”; and

(2) by adding at the end of such section 188 the following new subsection:

“(b) **TWO-MAN PARTNERSHIP.**—For the purpose of this chapter, the death of one of the partners of a partnership consisting of two members shall not, if the surviving partner so elects within one year after the date of enactment of this subsection, result in the termination of the partnership or in the closing of the taxable year of the partnership with respect to the surviving partner prior to the time the partnership year would have closed if neither partner had died or disposed of his interest.”

(b) **EFFECTIVE DATE, ETC.**—The amendments made by subsection (a) shall apply with respect to taxable years of a partnership beginning after December 31, 1946, to which the Internal Revenue Code of 1939 applies. If refund or credit of any overpayment resulting from the application of the amendments made by subsection (a) of this section (including interest, additions to the tax, and additional amounts), is prevented on the date of enactment of this Act, or within one year from such date, by the operation of any law or rule of law (other than section 3760 of the Internal Revenue Code of 1939 or section 7121 of the Internal Revenue Code of 1954, relating to closing agreements, and other than section 3761 of the Internal Revenue Code of 1939 or section 7122 of the Internal Revenue Code of 1954, relating to compromises), such refund or credit of such overpayment, may, nevertheless, be made or allowed if claim therefor is filed within one year after the date of the enactment of this Act. No interest shall be allowed or paid on any overpayment resulting from the enactment of this section.

53 Stat. 462.

26 USC 7121.

53 Stat. 462.

26 USC 7122.

**SEC. 27. EXCLUSION FROM GROSS INCOME OF CERTAIN AWARDS MADE PURSUANT TO EVACUATION CLAIMS OF JAPANESE-AMERICAN PERSONS.**

(a) **IN GENERAL.**—No amount received as an award under the Act entitled “An Act to authorize the Attorney General to adjudicate certain claims resulting from evacuation of certain persons of Japanese ancestry under military orders”, approved July 2, 1948, as amended by Public Law 116, Eighty-second Congress, and Public Law 673, Eighty-fourth Congress (50 U.S.C. App., secs. 1981–1987), shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1939 or chapter 1 of the Internal Revenue Code of 1954.

53 Stat. 4.

26 USC 1 *et seq.*

(b) **EFFECTIVE DATE, ETC.**—Subsection (a) shall apply with respect to taxable years ending after July 2, 1948. If refund or credit of any overpayment of Federal income tax resulting from the application



of subsection (a) (including interest, additions to the tax, additional amounts, and penalties) is prevented on the date of the enactment of this Act, or within one year from such date, by the operation of any law or rule of law, the refund or credit of such overpayment may nevertheless be made or allowed if claim therefor is filed within one year after the date of enactment of this Act. In the case of a claim to which the preceding sentence applies, the amount to be refunded or credited as an overpayment shall not be diminished by any credit or setoff based upon any item other than the amount of the award referred to in subsection (a). No interest shall be allowed or paid on any overpayment resulting from the application of this section.

**SEC. 28. DEDUCTION FOR DEPRECIATION BY TENANT-STOCKHOLDER OF COOPERATIVE HOUSING CORPORATION.**

26 USC 216.

(a) ALLOWANCE OF DEDUCTION.—Section 216 (relating to deductions by tenant-stockholders of a cooperative housing corporation) is amended by—

(1) amending the heading thereof to read as follows:

**“SEC. 216. DEDUCTION OF TAXES, INTEREST, AND BUSINESS DEPRECIATION BY COOPERATIVE HOUSING CORPORATION TENANT-STOCKHOLDER.”; and**

(2) adding at the end of section 216 the following new subsection:

“(c) TREATMENT AS PROPERTY SUBJECT TO DEPRECIATION.—So much of the stock of a tenant-stockholder in a cooperative housing corporation as is allocable, under regulations prescribed by the Secretary or his delegate, to a proprietary lease or right of tenancy in property subject to the allowance for depreciation under section 167(a) shall, to the extent such proprietary lease or right of tenancy is used by such tenant-stockholder in a trade or business or for the production of income, be treated as property subject to the allowance for depreciation under section 167(a).”

26 USC 167.

(b) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 is amended by striking out the item relating to section 216 and inserting in lieu thereof the following:

“Sec. 216. Deduction of taxes, interest, and business depreciation by cooperative housing corporation tenant-stockholder.”

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to taxable years beginning after December 31, 1961.

**SEC. 29. DEDUCTION FOR INCOME TAX PURPOSES OF CONTRIBUTIONS TO CERTAIN ORGANIZATIONS FOR JUDICIAL REFORM.**

26 USC 170.

For purposes of section 170 of the Internal Revenue Code of 1954 (relating to deduction for charitable, etc., contributions and gifts), a contribution or gift made after December 31, 1961, with respect to a referendum occurring during the calendar year 1962 to or for the use of any nonprofit organization created and operated exclusively—

(1) to consider proposals for the reorganization of the judicial branch of the government of any State of the United States or political subdivision of such State, and

(2) to provide information, make recommendations, and seek public support or opposition as to such proposals, shall be treated as a charitable contribution if no part of the net earnings of such organization inures to the benefit of any private shareholder or individual. The provisions of the preceding sentence shall not apply to any organization which participates in, or intervenes in, any political campaign on behalf of any candidate for public office.

**SEC. 30. EFFECTIVE DATE OF AMENDMENT TO SECTION 1374(b).**

The amendment made by section 2(b) of Public Law 86-376 (73 Stat. 699) shall take effect on September 2, 1958.

**SEC. 31. TREATIES.**

Section 7852(d) of the Internal Revenue Code of 1954 (relating to treaty obligations) shall not apply in respect of any amendment made by this Act.

26 USC 7852.

Approved October 16, 1962, 10:30 a. m.

## Public Law 87-835

## AN ACT

October 16, 1962  
[H. R. 8556]

To amend the National Science Foundation Act of 1950 to require certain additional information to be filed by an applicant for a scholarship or fellowship, and to amend the National Defense Education Act of 1958 with respect to certain requirements for payments or loans under the provisions of such Act, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 16(d) of the National Science Foundation Act of 1950 is amended to read as follows:

National Science  
Foundation.  
Scholarships.  
64 Stat. 156;  
72 Stat. 353.  
42 USC 1874.  
Oath.

“(d)(1) No part of any funds appropriated or otherwise made available for expenditure by the Foundation under authority of this Act shall be used to make payments under any scholarship or fellowship awarded to any individual under section 10, unless such individual—

“(A) has taken and subscribed to an oath or affirmation in the following form: ‘I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic’; and

“(B) has provided the Foundation (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of \$25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such scholarship or fellowship.

Criminal record,  
statement.

The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation and statement herein required.

62 Stat. 749.

“(2)(A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any scholarship or fellowship which is to be awarded from funds part or all of which are appropriated or otherwise made available for expenditure under

68 Stat. 777.  
50 USC 782.

the authority of section 10 of this Act, or (ii) to use or attempt to use any such award.

Penalty.

“(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than \$10,000, or imprisoned not more than five years, or both.”

Refusal or revocation authority.  
42 USC 1869.

SEC. 2. Section 10 of the National Science Foundation Act of 1950 is amended by adding at the end thereof the following new sentence: “Nothing contained in this Act shall prohibit the Foundation from refusing or revoking a scholarship or fellowship award, in whole or in part, in the case of any applicant or recipient, if the Board is of the opinion that such award is not in the best interests of the United States.”

National defense education.  
72 Stat. 1602.  
20 USC 581.  
Oath.

SEC. 3. Section 1001 of the National Defense Education Act of 1958 is amended by striking out subsection (f) and inserting in lieu thereof the following:

“(f) (1) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual unless such individual has taken and subscribed to an oath or affirmation in the following form: ‘I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic’.

Criminal record, statement.  
72 Stat. 1590,  
1593.  
20 USC 461, 511.

“(2) No fellowship or stipend shall be awarded to any individual under the provisions of title IV or of part A of title VI of this Act unless such individual has provided the Commissioner (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of \$25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such fellowship or stipend.

62 Stat. 749.

“(3) The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation required under paragraph (1) of this subsection and to the statement required under paragraph (2).

68 Stat. 777.  
50 USC 782.

“(4) (A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any payment or loan which is to be made from funds part or all of which are appropriated or otherwise made available for expenditure under the authority of this Act, or (ii) to use or attempt to use any such payment or loan.

Penalty.

“(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

Refusal or revocation authority.

“(g) Nothing contained in this Act shall prohibit the Commissioner from refusing or revoking a fellowship award under title IV of this Act, in whole or in part, in the case of any applicant or recipient, if the Commissioner is of the opinion that such award is not in the best interests of the United States.”

Approved October 16, 1962.

## Public Law 87-836

## AN ACT

For the relief of certain officers and enlisted personnel of the 1202d Civil Affairs Group (Reinf Tng), Fort Hamilton, Brooklyn, New York.

October 16, 1962  
[H. R. 9199]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all officers, warrant officers, and enlisted personnel assigned to the 1202d Civil Affairs Group (Reinf Tng), Fort Hamilton, Brooklyn, New York, during the period commencing December 1, 1959, and ending on November 30, 1960, are relieved of all liability to refund to the United States the amounts, which were otherwise correct, erroneously received by them as pay for participating in inactive duty training assemblies conducted by the 1202d Civil Affairs Group (Reinf Tng) during the period commencing on December 1, 1959, and ending on November 30, 1960.

Armed Forces.  
Civil Affairs  
Group, relief.

SEC. 2. If any member or former member of the 1202d Civil Affairs Group (Reinf Tng) has at any time refunded to the United States all or a part of the erroneous payments with which this Act is concerned, the Secretary of Treasury is authorized to pay, out of appropriations available for the pay and allowances of members of the uniformed services, to that person the amount he or she repaid.

Approved October 16, 1962.

## Public Law 87-837

## AN ACT

To prohibit the use by collecting agencies and private detective agencies of any name, emblem, or insignia which reasonably tends to convey the impression that any such agency is an agency of the government of the District of Columbia.

October 16, 1962  
[S. 2795]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That no person engaged in the business of collecting or aiding in the collection of private debts or obligations, or engaged in furnishing private police, investigation, or other private detective services, shall use as part of the name of such business, or employ in any communication, correspondence, notice, advertisement, circular, or other writing or publication, the words "District of Columbia", "District", the initials "D.C.", or any emblem or insignia utilizing any of the said terms as part of its design, in such manner as reasonably to convey the impression or belief that such business is a department, agency, bureau, or instrumentality of the municipal government of the District of Columbia or in any manner represents the District of Columbia. As used in this Act, the word "person" means and includes individuals, associations, partnerships, and corporations.

D. C.  
Insignia of de-  
tective and col-  
lection agencies.

"Person."

SEC. 2. Any person who violates this Act shall be punished by a fine of not more than \$300 or by imprisonment for not more than ninety days, or by both such fine and imprisonment.

Penalty.

SEC. 3. All prosecutions for violations of this Act shall be conducted in the name of the District of Columbia by the Corporation Counsel or any of his assistants. As used in this Act the term "Corporation Counsel" means the attorney for the District of Columbia, by whatever title such attorney may be known, designated by the Board of Commissioners of the District of Columbia to perform the functions prescribed for the Corporation Counsel in this Act.

Prosecutions  
for violations.

Approved October 16, 1962.

## Public Law 87-838

## AN ACT

October 17, 1962  
[H. R. 11099]

To amend the Public Health Service Act to provide for the establishment of an Institute of Child Health and Human Development, to extend for three additional years the authorization for grants for the construction of facilities for research in the sciences related to health, and for other purposes.

Public Health  
Service Act,  
amendment.  
58 Stat. 707.  
42 USC 281-  
289c.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title IV of the Public Health Service Act (42 U.S.C., ch. 6A, subch. III) is amended by adding at the end thereof the following new part:

“PART E—INSTITUTES OF CHILD HEALTH AND HUMAN DEVELOPMENT  
AND OF GENERAL MEDICAL SCIENCES

“ESTABLISHMENT OF INSTITUTE OF CHILD HEALTH AND HUMAN  
DEVELOPMENT

“SEC. 441. The Surgeon General is authorized, with the approval of the Secretary, to establish in the Public Health Service an institute for the conduct and support of research and training relating to maternal health, child health, and human development, including research and training in the special health problems and requirements of mothers and children and in the basic sciences relating to the processes of human growth and development, including prenatal development.

“ESTABLISHMENT OF INSTITUTE OF GENERAL MEDICAL SCIENCES

“SEC. 442. The Surgeon General is authorized, with the approval of the Secretary, to establish in the Public Health Service an institute for the conduct and support of research and research training in the general or basic medical sciences and related natural or behavioral sciences which have significance for two or more other institutes, or are outside the general area of responsibility of any other institute, established under or by this Act.

“ESTABLISHMENT OF ADVISORY COUNCILS

“SEC. 443. (a) The Surgeon General is authorized, with the approval of the Secretary, to establish an advisory council to advise, consult with, and make recommendations to the Surgeon General on matters relating to the activities of the institute established under section 441. He may also, with such approval, establish such a council with respect to the activities of the institute established under section 442.

“(b) The provisions relating to the composition, terms of office of members, and reappointment of members of advisory councils under section 432(a) shall be applicable to any council established under this section, except that, in lieu of the requirement in such sections that six of the members be outstanding in the study, diagnosis, or treatment of a disease or diseases, six of such members shall be selected from leading medical or scientific authorities who are outstanding in the field of research or training with respect to which the council is being established, and except that the Surgeon General, with the approval of the Secretary, may include on any such council established under this section such additional ex officio members as he deems necessary in the light of the functions of the institute with respect to which it is established.

64 Stat. 444.  
42 USC 289b.

“(c) Upon appointment of any such council, it shall assume all or such part as the Surgeon General may, with the approval of the Secretary, specify of the duties, functions, and powers of the National Advisory Health Council relating to the research or training projects with which such council established under this part is concerned and such portion as the Surgeon General may specify (with such approval) of the duties, functions, and powers of any other advisory council established under this Act relating to such projects.

#### “FUNCTIONS

“SEC. 444. The Surgeon General shall, through an institute established under this part, carry out the purposes of section 301 with respect to the conduct and support of research which is a function of such institute, except that the Surgeon General shall, with the approval of the Secretary, determine the areas in which and the extent to which he will carry out such purposes of section 301 through such institute or an institute established by or under other provisions of this Act, or both of them, when both such institutes have functions with respect to the same subject matter. The Surgeon General is also authorized to provide training and instruction and establish and maintain traineeships and fellowships, in the institute established under section 441 and elsewhere in matters relating to diagnosis, prevention, and treatment of a disease or diseases or in other aspects of maternal health, child health, and human development, with such stipends and allowances (including travel and subsistence expenses) for trainees and fellows as he deems necessary, and, in addition, provide for such training, instruction, and traineeships and for such fellowships through grants to public or other nonprofit institutions.

58 Stat. 691.  
42 USC 241.

#### “PRESERVATION OF EXISTING AUTHORITY

“SEC. 445. Nothing in this part shall be construed as affecting the authority of the Secretary under section 2 of the Act of April 9, 1912 (42 U.S.C. 192), or title V of the Social Security Act (42 U.S.C., ch. 7, subch. V), or as affecting the authority of the Surgeon General to utilize institutes established under other provisions of this Act for research or training activities relating to maternal health, child health, and human development or to the general medical sciences and related sciences.”

37 Stat. 79.  
42 USC 701-731.

SEC. 2. Section 301(d) of the Public Health Service Act is amended by striking out the words “research projects” wherever they appear therein and inserting in lieu thereof “research or research training projects”.

62 Stat. 601.  
42 USC 241.

SEC. 3. Title II of the Public Health Service Act is amended by adding after section 221 the following new section:

70A Stat. 619.  
42 USC 202-  
218a.

#### “ADVISORY COMMITTEES

“SEC. 222. (a) The Surgeon General may, without regard to the civil service laws, and subject to the Secretary's approval in such cases as the Secretary may prescribe, from time to time appoint such advisory committees (in addition to those authorized to be established under other provisions of law), for such periods of time, as he deems desirable for the purpose of advising him in connection with any of his functions.

“(b) Members of any advisory committee appointed under this section who are not regular full-time employees of the United States shall, while attending meetings or conferences of such committee or otherwise engaged on business of such committee receive compensation and allowances as provided in section 208(c) for members of national advisory councils established under this Act.

64 Stat. 447.  
42 USC 210.

“(c) Upon appointment of any such committee, the Surgeon General, with the approval of the Secretary, may transfer such of the functions of the National Advisory Health Council relating to grants-in-aid for research or training projects in the areas or fields with which such committee is concerned as he determines to be appropriate.”

75 Stat. 827.  
42 USC 292c.

SEC. 4. (a) Section 704 of the Public Health Service Act is amended by striking out “six” and inserting in lieu thereof “nine”.

42 USC 292d.

(b) Section 705(a) of such Act is amended by striking out “1962” and inserting in lieu thereof “1965”.

Approved October 17, 1962.

## Public Law 87-839

### AN ACT

October 18, 1962  
[S. 3389]

To amend the Merchant Marine Act, 1936, to develop American flag carriers and promote the foreign commerce of the United States through the use of mobile trade fairs.

Mobile trade  
fairs.  
49 Stat. 1985.  
46 USC 1111.  
70 Stat. 332.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title II of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.), is amended by adding immediately after section 212(A) thereof (46 U.S.C. 1122a) the following new section:

“SEC. 212. (B) (a) The Secretary of Commerce shall encourage and promote the development and use of mobile trade fairs which are designed to show and sell the products of United States business and agriculture at foreign ports and at other commercial centers throughout the world where the operator or operators of the mobile trade fairs exclusively use United States flag vessels and aircraft in the transportation of their exhibits.

“(b) The Secretary of Commerce is authorized to provide to the operator or operators of such mobile trade fairs technical assistance and support as well as financial assistance for the purpose of defraying certain expenses incurred abroad, when the Secretary determines that such operations provide an economical and effective means of promoting export sales.

Appropriation.  
  
Foreign currencies.

“(c) There is authorized to be appropriated not to exceed \$500,000 per fiscal year for each of the three fiscal years during the period beginning July 1, 1962, and ending June 30, 1965. In addition to such appropriated sums, the President shall make maximum use of foreign currencies owned by or owed to the United States to carry out the purposes of this section.

Report to Congress.

“(d) The Secretary of Commerce shall submit annually to the Congress a report on his activities under this Act.”

72 Stat. 1790.  
7 USC 1704.

SEC. 2. Section 104(m) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting immediately before “, and (B)” the following: “or section 212(B) of the Merchant Marine Act, 1936”.

Approved October 18, 1962.

## Public Law 87-840

## AN ACT

To amend the Act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce.

October 18, 1962  
[S. 1658]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Gambling Devices Act of 1962."

Gambling De-  
vices Act of 1962.

SEC. 2. (a) Subparagraph (2) of paragraph (a) of the first section of the Act of January 2, 1951 (64 Stat. 1134; 15 U.S.C. 1171), is amended to read as follows:

"(2) any other machine or mechanical device (including, but not limited to, roulette wheels and similar devices) designed and manufactured primarily for use in connection with gambling, and (A) which when operated may deliver, as the result of the application of an element of chance, any money or property, or (B) by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property; or".

(b) Subparagraph (3) of paragraph (a) of the first section of such Act is amended by inserting immediately before the period at the end thereof the following: ", but which is not attached to any such machine or mechanical device as a constituent part".

SEC. 3. The first section of such Act is further amended by striking out "Alaska, Hawaii" in paragraph (b) thereof and inserting in lieu thereof "the District of Columbia", and adding at the end of such section the following new paragraphs:

"(d) The term 'interstate or foreign commerce' means commerce (1) between any State or possession of the United States and any place outside of such State or possession, or (2) between points in the same State or possession of the United States but through any place outside thereof.

"(e) The term 'intrastate commerce' means commerce wholly within one State or possession of the United States."

SEC. 4. The first paragraph of section 2 of the Act of January 2, 1951, is amended by inserting immediately before the period at the end thereof a comma and the following: "nor shall this section apply to any gambling device used or designed for use at and transported to licensed gambling establishments where betting is legal under applicable State laws: *Provided further*, That it shall not be unlawful to transport in interstate or foreign commerce any gambling device into any State in which the transported gambling device is specifically enumerated as lawful in a statute of that State".

15 USC 1172.

SEC. 5. Section 3 of the Act of January 2, 1951, is amended to read as follows:

15 USC 1173.

"SEC. 3. (a) (1) It shall be unlawful for any person engaged in the business of manufacturing gambling devices, if the activities of such business in any way affect interstate or foreign commerce, to manufacture any gambling device during any calendar year, unless, after November 30 of the preceding calendar year, and before the date on which such device is manufactured, such person has registered with the Attorney General under this subsection, regardless of whether such device ever enters interstate or foreign commerce.

Manufacturers  
and dealers.  
Registration.

"(2) It shall be unlawful for any person during any calendar year to engage in the business of repairing, reconditioning, buying, selling, leasing, using, or making available for use by others any gambling device, if in such business he sells, ships, or delivers any such device knowing that it will be introduced into interstate or foreign commerce



after the effective date of the Gambling Devices Act of 1962, unless, after November 30 of the preceding calendar year, and before the date such sale, shipment, or delivery occurs, such person has registered with the Attorney General under this subsection.

"(3) It shall be unlawful for any person during any calendar year to engage in the business of repairing, reconditioning, buying, selling, leasing, using, or making available for use by others any gambling device, if in such business he buys or receives any such device knowing that it has been transported in interstate or foreign commerce after the effective date of the Gambling Devices Act of 1962, unless, after November 30 of the preceding calendar year and before the date on which he buys or receives such device, such person has registered with the Attorney General under this subsection.

Registration  
data.

"(4) Each person who registers with the Attorney General pursuant to this subsection shall set forth in such registration (A) his name and each trade name under which he does business, (B) the address of each of his places of business in any State or possession of the United States, (C) the address of a place, in a State or possession of the United States in which such a place of business is located, where he will keep all records required to be kept by him by subsection (c) of this section, and (D) each activity described in paragraph (1), (2), or (3) of this subsection which he intends to engage in during the calendar year with respect to which such registration is made.

Numbering of  
devices.

"(b) (1) Every manufacturer of a gambling device defined in paragraph (a) (1) or (a) (2) of the first section of this Act shall number seriatim each such gambling device manufactured by him and permanently affix on each such device, so as to be clearly visible, such number, his name, and, if different, any trade name under which he does business, and the date of manufacture of such device.

"(2) Every manufacturer of a gambling device defined in paragraph (a) (3) of the first section of this Act shall, if the size of such device permits it, number seriatim each such gambling device manufactured by him and permanently affix on each such device, so as to be clearly visible, such number, his name, and, if different, any trade name under which he does business, and the date of manufacture of such device.

Records.

"(c) (1) Every person required to register under subsection (a) of this section for any calendar year shall, on and after the date of such registration or the first day of such year (whichever last occurs), maintain a record by calendar month for all periods thereafter in such year of—

"(A) each gambling device manufactured, purchased, or otherwise acquired by him,

"(B) each gambling device owned or possessed by him or in his custody, and

"(C) each gambling device sold, delivered, or shipped by him in intrastate, interstate, or foreign commerce.

"(2) Such record shall show—

"(A) in the case of each such gambling device defined in paragraph (a) (1) or (a) (2) of the first section of this Act, the information which is required to be affixed on such gambling device by subsection (b) (1) of this section; and

"(B) in the case of each such gambling device defined in paragraph (a) (3) of the first section of this Act, the information required to be affixed on such gambling device by subsection (b) (2) of this section, or, if such gambling device does not have affixed on it any such information, its catalog listing, description, and, in the case of each such device owned or possessed by him or in his custody, its location.

Such record shall also show (i) in the case of any such gambling device described in paragraph (1) (A) of this subsection, the name and address of the person from whom such device was purchased or acquired and the name and address of the carrier; and (ii) in the case of any such gambling device described in paragraph (1) (C) of this subsection, the name and address of the buyer and consignee thereof and the name and address of the carrier.

“(d) Each record required to be maintained under this section shall be kept by the person required to make it at the place designated by him pursuant to subsection (a) (4) (C) of this section for a period of at least five years from the last day of the calendar month of the year with respect to which such record is required to be maintained.

Retention of records.

“(e) (1) It shall be unlawful (A) for any person during any period in which he is required to be registered under subsection (a) of this section to sell, deliver, or ship in intrastate, interstate, or foreign commerce or own, possess, or have in his custody any gambling device which is not marked and numbered as required by subsection (b) of this section; or (B) for any person to remove, obliterate, or alter any mark or number on any gambling device required to be placed thereon by such subsection (b).

“(2) It shall be unlawful for any person knowingly to make or cause to be made, any false entry in any record required to be kept under this section.

“(f) Agents of the Federal Bureau of Investigation shall, at any place designated pursuant to subsection (a) (4) (C) of this section by any person required to register by subsection (a) of this section, at all reasonable times, have access to and the right to copy any of the records required to be kept by this section, and, in case of refusal by any person registered under such subsection (a) to allow inspection and copying of such records, the United States district court for the district in which such place is located shall have jurisdiction to issue an order compelling production of such records for inspection or copying.”

FBI, authority.

SEC. 6. The Act of January 2, 1951, is amended by adding at the end thereof the following new section:

64 Stat. 1134.  
15 USC 1171.

“SEC. 9. None of the provisions of this Act shall be construed to apply—

Nonapplicability.

“(1) to any machine or mechanical device designed and manufactured primarily for use at a racetrack in connection with pari-mutuel betting,

“(2) to any machine or mechanical device, such as a coin-operated bowling alley, shuffleboard, marble machine (a so-called pinball machine), or mechanical gun, which is not designed and manufactured primarily for use in connection with gambling, and (A) which when operated does not deliver, as a result of the application of an element of chance, any money or property, or (B) by the operation of which a person may not become entitled to receive, as the result of the application of an element of chance, any money or property, or

“(3) to any so-called claw, crane, or digger machine and similar devices which are not operated by coin, are actuated by a crank, and are designed and manufactured primarily for use at carnivals or county or State fairs.”

SEC. 7. The amendments made by this Act shall take effect on the sixtieth day after the date of its enactment.

Effective date.

Approved October 18, 1962.

## Public Law 87-841

October 18, 1962  
[S. 3679]

## AN ACT

Authorizing an appropriation to enable the United States to extend an invitation to the Food and Agriculture Organization of the United Nations to hold a World Food Congress in the United States in 1963.

Whereas the President, in giving his full endorsement and support of the United States Government's food-for-peace program and for the freedom-from-hunger campaign of the Food and Agriculture Organization of the United Nations, recognized the necessity for emphasizing the willingness of the United States Government to share its food abundance and agricultural knowledge; and

Whereas the Food and Agriculture Organization of the United Nations pursuant to a resolution of the tenth FAO Conference authorized the Director-General to make preparations for a World Food Congress in 1963 to mark the midpoint of the five-year world-wide freedom-from-hunger campaign and the twentieth anniversary of the Hot Springs Conference, which resulted in the establishment of the FAO; and

Whereas the freedom-from-hunger campaign in the United States is sponsored by the American Freedom From Hunger Foundation, Incorporated, and by the American Food for Peace Council through its Freedom-From-Hunger Committee; and

Whereas the United States food-for-peace program and the FAO's freedom-from-hunger campaign are both directed toward the promotion of international cooperation and good will through the alleviation of hunger and malnutrition; and

Whereas the Congress will bring together a wide cross section of participants in these activities, review the progress of the campaign, focus attention on current and future problems involved in providing adequate food to meet the needs of the world's rapidly expanding population, and consider and recommend measures and policies necessary for this purpose; and

Whereas it is particularly fitting that the United States of America should cooperate with the FAO to convene a World Food Congress to further the programs of both the food-for-peace program and the freedom-from-hunger campaign; and

Whereas the United States of America as the inviting government is expected to provide the conference facilities and to pay certain expenses not borne by the FAO; Therefore

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is authorized to be appropriated to the Department of State, out of any money in the Treasury not otherwise appropriated, a sum not to exceed \$300,000 for the purpose of defraying the expenses incident to organizing and holding the World Food Congress in the United States. Funds appropriated pursuant to this authorization shall be available for advance contribution or reimbursement to the Food and Agriculture Organization of the United Nations for certain costs incurred by the Organization in holding the World Food Congress in the United States and shall be available for expenses incurred by the Department of State, on behalf of the United States as host government, including personal services without regard to civil service and classification laws; employment of aliens; printing and binding, without regard to section 11 of the Act of March 1, 1919 (44 U.S.C. 11); travel expenses; rent of quarters by contract or otherwise; hire of passenger motor vehicles; and official functions and courtesies.

World Food  
Congress.  
Appropriation  
for expenses.

SEC. 2. The Secretary of State is authorized to accept and use contributions of funds, property, services, and facilities for the purpose of organizing and holding the World Food Congress in the United States.

Contributions  
accepted.

Approved October 18, 1962.

## Public Law 87-842

### JOINT RESOLUTION

To direct the Franklin Delano Roosevelt Memorial Commission to consider possible changes in the winning design for the proposed memorial or the selection of a new design for such memorial.

October 18, 1962  
[H. J. Res. 712]

Whereas by joint resolution approved August 11, 1955, the Franklin Delano Roosevelt Memorial Commission was duly established for the purpose of formulating plans for the design, construction, and location of a permanent memorial to Franklin Delano Roosevelt in the city of Washington or its environs; and

69 Stat. 694.

Whereas by joint resolution approved September 1, 1959, there was reserved as a site for said memorial that portion of the West Potomac Park in the District of Columbia which lies between Independence Avenue and the inlet bridge; and the said Commission was authorized to hold a competition for the proposed memorial, and to award a prize of \$50,000 to the winner thereof; and

73 Stat. 445.

Whereas the competition was duly held, and the winning prize was awarded to Pedersen and Tilney, of New York, by the jury of award; and

Whereas the winning design was thereafter approved by the said Commission, with the inclusion of a statue or bas-relief of President Roosevelt, and the result of the competition and the approval of the winning design duly reported to the President and to the Congress, as provided by the joint resolution of September 1, 1959; and

Whereas said design has created considerable controversy and is subject to specific criticism, and lacks the approval of the Commission of Fine Arts: Therefore be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That pursuant to Public Law 372, Eighty-fourth Congress, the Franklin Delano Roosevelt Memorial Commission is hereby authorized and directed to consult with the Commission of Fine Arts to determine whether the winning design of Pedersen and Tilney, of New York, may be so changed or modified to secure the approval of the Commission of Fine Arts. If it is determined that such changes or modifications are not practical, the Commission is authorized and directed to select, with the advice and approval of the Commission of Fine Arts, such other design among those already submitted in the competition for the proposed memorial, or to consider a living memorial such as the stadium, an educational institution, information center, memorial park or any other suitable or worthy project.

Franklin Delano  
Roosevelt memo-  
rial.  
Changes or mod-  
ifications.  
69 Stat. 694.

SEC. 2. The Commission shall report its findings and recommendations to the Congress for its approval and to the President not later than June 30, 1963.

Report to  
Congress.

SEC. 3. There is authorized to be appropriated not more than \$25,000 to carry out the provisions of this joint resolution.

Appropriation.

Approved October 18, 1962.

## Public Law 87-843

October 18, 1962  
[H. R. 12580]

## AN ACT

Making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1963, and for other purposes,

Departments of  
State, Justice,  
and Commerce,  
the Judiciary, and  
Related Agencies  
Appropriation Act,  
1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1963, namely:

## TITLE I—DEPARTMENT OF STATE

## ADMINISTRATION OF FOREIGN AFFAIRS

## SALARIES AND EXPENSES

60 Stat. 999;  
74 Stat. 831.

60 Stat. 713.

63 Stat. 405.

60 Stat. 810.

63 Stat. 62;  
73 Stat. 471.

62 Stat. 825.

5 USC 170l.

For necessary expenses of the Department of State, not otherwise provided for, including expenses authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158), not otherwise provided for; expenses necessary to meet the responsibilities and obligations of the United States in Germany (including those arising under the supreme authority assumed by the United States on June 5, 1945, and under contractual arrangements with the Federal Republic of Germany); salary of the United States member of the Board for the Validation of German Bonds in the United States at the rate of \$17,100 per annum; expenses of the National Commission on Educational, Scientific, and Cultural Cooperation as authorized by sections 3, 5, and 6 of the Act of July 30, 1946 (22 U.S.C. 287o, 287q, 287r); purchase (not to exceed sixteen, of which four are for replacement only) or hire of passenger motor vehicles; printing and binding outside the continental United States without regard to section 11 of the Act of March 1, 1919 (44 U.S.C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase of uniforms; payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; employment of aliens by contract for services abroad; refund of fees erroneously charged and paid for passports; radio communications; payment in advance for subscriptions to commercial information, telephone and similar services abroad; care and transportation of prisoners and persons declared insane; expenses, as authorized by law (18 U.S.C. 3192), of bringing to the United States from foreign countries persons charged with crime; and procurement by contract or otherwise, of services, supplies, and facilities, as follows: (1) translating, (2) analysis and tabulation of technical information, and (3) preparation of special maps, globes, and geographic aids; \$141,210,000, of which not less than \$12,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That passenger motor vehicles in possession of the Foreign Service abroad may be replaced in accordance with section 7 of the Act of August 1, 1956 (70 Stat. 891), and the cost, including the exchange allowance, of each such replacement shall not exceed \$3,800 in the case of the chief of mission automobile at each diplomatic mission (except that eight such vehicles may be purchased at not to exceed \$7,800 each) and \$1,500 in the case of all other such vehicles except station wagons.

## REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 901 of the Foreign Service Act of 1946 (22 U.S.C. 1131), \$950,000.

74 Stat. 801.

## OPERATION AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses of maintenance, operation, repair, and payment of leaseholds of properties acquired pursuant to the Foreign Service Buildings Act, 1926, as amended (22 U.S.C. 292-300), including personal services in the United States and abroad; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,000,000, of which not less than \$7,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States, to remain available until expended: *Provided*, That not to exceed \$1,323,000 may be used for administrative expenses during the current fiscal year.

44 Stat. 403.

60 Stat. 999.

60 Stat. 810.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD  
(SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes authorized by section 104(1) of that Act, to be credited to and expended under the appropriation account for "Acquisition, operation, and maintenance of buildings abroad", to remain available until expended, \$2,205,000: *Provided*, That this appropriation shall not be used for the purchase of currencies available in the Treasury for the purposes of section 104(f) of such Act, unless such currencies are excess to the normal requirements of the United States.

68 Stat. 455;  
72 Stat. 1790.

## EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service, to be expended pursuant to the requirement of section 291 of the Revised Statutes (31 U.S.C. 107), \$1,500,000.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

## CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, \$68,392,000.

## MISSIONS TO INTERNATIONAL ORGANIZATIONS

For expenses necessary for permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress, including expenses authorized by the pertinent Acts and conventions providing for such representation; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); hire of passenger motor

60 Stat. 999.

- 40 Stat. 1270. vehicles; printing and binding, without regard to section 11 of the Act of March 1, 1919 (44 U.S.C. 111); and purchase of uniforms for guards and chauffeurs; \$2,250,000.

#### INTERNATIONAL CONFERENCES AND CONTINGENCIES

- 60 Stat. 999. For necessary expenses of participation by the United States upon approval by the Secretary of State, in international activities which arise from time to time in the conduct of foreign affairs and for which specific appropriations have not been provided pursuant to treaties, conventions, or special Acts of Congress, including personal services without regard to civil service and classification laws; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); hire of passenger motor vehicles; contributions for the share of the United States in expenses of international organizations; and printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U.S.C. 111); \$1,943,000, of which not to exceed a total of \$75,000 may be expended for representation allowances as authorized by section 901(3) of the Act of August 13, 1946 (22 U.S.C. 1131) and for official entertainment.
- 74 Stat. 801.

#### LOANS TO THE UNITED NATIONS

- Ante*, p. 695. To enable the President to provide for a loan to the United Nations, as authorized by law, \$100,000,000, to remain available until expended.

#### INTERNATIONAL COMMISSIONS

##### INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

- 24 Stat. 1011;  
26 Stat. 1512;  
35 Stat. 1863;  
34 Stat. 2953;  
48 Stat. 1621;  
59 Stat. 1219.
- 64 Stat. 846.
- 68 Stat. 1114.
- For expenses necessary to enable the United States to meet its obligations under the treaties of 1884, 1889, 1905, 1906, 1933, and 1944 between the United States and Mexico, and to comply with the other laws applicable to the United States Section, International Boundary and Water Commission, United States and Mexico, including operation and maintenance of the Rio Grande rectification, canalization, flood control, bank protection, water supply, power, irrigation, boundary demarcation, and sanitation projects; detailed plan preparation and construction (including surveys and operation and maintenance and protection during construction); Rio Grande emergency flood protection; expenditures for the purposes set forth in sections 101 through 104 of the Act of September 13, 1950 (22 U.S.C. 277d-1—277d-4); purchase of four passenger motor vehicles for replacement only; purchase of planographs and lithographs; uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); and leasing of private property to remove therefrom sand, gravel, stone, and other materials, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); as follows:

#### SALARIES AND EXPENSES

For salaries and expenses not otherwise provided for, including examinations, preliminary surveys, and investigations, \$670,000.

## OPERATION AND MAINTENANCE

For operation and maintenance of projects or parts thereof, as enumerated above, including gaging stations, \$1,950,000: *Provided*, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89).

## CONSTRUCTION

For detailed plan preparation and construction of projects authorized by the convention concluded February 1, 1933, between the United States and Mexico, the Acts approved August 19, 1935, as amended (22 U.S.C. 277-277f), August 29, 1935 (49 Stat. 961), June 4, 1936 (49 Stat. 1463), June 28, 1941 (22 U.S.C. 277f), September 13, 1950 (22 U.S.C. 277d-1-9), and the projects stipulated in the treaty between the United States and Mexico signed at Washington on February 3, 1944, \$11,000,000, to remain available until expended: *Provided*, That no expenditures shall be made for the Lower Rio Grande flood-control project for construction on any land, site, or easement in connection with this project except such as has been acquired by donation and the title thereto has been approved by the Attorney General of the United States: *Provided further*, That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the costs of said dam as shall have been allocated to such purposes by the Secretary of State.

48 Stat. 1621.

49 Stat. 660.

55 Stat. 338.

64 Stat. 846.

59 Stat. 1219.

## AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For expenses necessary to enable the President to perform the obligations of the United States pursuant to treaties between the United States and Great Britain, in respect to Canada, signed January 11, 1909 (36 Stat. 2448), and February 24, 1925 (44 Stat. 2102), the treaty between the United States and Canada, signed February 27, 1950, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); hire of passenger motor vehicles; \$415,000, to be disbursed under the direction of the Secretary of State, and to be available also for additional expenses of the American Sections, International Commissions, as hereinafter set forth:

1 UST 694.  
60 Stat. 810.

International Joint Commission, United States and Canada, the salary of one Commissioner on the part of the United States who shall serve at the pleasure of the President (the other Commissioners to serve in that capacity without compensation therefor); salaries of clerks and other employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses in attending hearings of the Commission at such places in the United States and Canada as the Commission or the American Commissioners shall determine to be necessary; and special and technical investigations in connection with matters falling within the Commission's jurisdiction: *Provided*, That transfers of funds may be made to other agencies of the Government for the performance of work for which this appropriation is made.

International Boundary Commission, United States and Canada, the completion of such remaining work as may be required under the award of the Alaskan Boundary Tribunal and the existing treaties between the United States and Great Britain; commutation of sub-



sistence to employees while on field duty, not to exceed \$8 per day each (but not to exceed \$5 per day each when a member of a field party and subsisting in camp); hire of freight and passenger motor vehicles from temporary field employees; and payment for timber necessarily cut in keeping the boundary line clear.

#### INTERNATIONAL FISHERIES COMMISSIONS

For expenses, not otherwise provided for, necessary to enable the United States to meet its obligations in connection with participation in international fisheries commissions pursuant to treaties or conventions, and implementing Acts of Congress, \$1,910,000: *Provided*, That the United States share of such expenses may be advanced to the respective commissions.

#### EDUCATIONAL EXCHANGE

##### MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACTIVITIES

For expenses, not otherwise provided for, necessary to enable the Secretary of State to carry out the functions of the Department of State under the provisions of the Mutual Educational and Cultural Exchange Act of 1961 (75 Stat. 527) and the Act of August 9, 1939 (22 U.S.C. 501), including salaries, expenses, and allowances of personnel as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); hire of passenger motor vehicles; not to exceed \$18,000 for representation expenses; not to exceed \$1,000 for official entertainment within the United States: services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and advance of funds notwithstanding section 3648 of the Revised Statutes, as amended; \$41,950,000, of which not less than \$14,515,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed \$1,832,000 may be used for administrative expenses during the current fiscal year.

##### CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate agency of the State of Hawaii, \$8,340,000: *Provided*, That none of the funds appropriated herein shall be used to pay the salary, or to enter into any contract providing for the payment thereof, to any individual in excess of \$20,000 per annum.

#### RAMA ROAD, NICARAGUA

For an additional amount for necessary expenses for the survey and construction of the Rama Road, Nicaragua, in accordance with the provisions of title 23, United States Code, section 213, and the Act of September 2, 1958 (72 Stat. 1709), \$1,500,000, to remain available until expended: *Provided*, That transfer of funds may be made from this appropriation to the Department of Commerce for the performance of work for which the appropriation is made.

22 USC 2451  
note.

53 Stat. 1290.  
60 Stat. 999.

60 Stat. 810.  
31 USC 529.

74 Stat. 141.  
22 USC 2054  
note.

72 Stat. 911.

Transfer of  
funds.

## GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 102. Appropriations under this title for "Salaries and expenses", "International conferences and contingencies", and "Missions to international organizations" are available for reimbursement of the General Services Administration for security guard services for protection of confidential files.

Security guard services.

SEC. 103. No part of any appropriation contained in this title shall be used to pay the salary or expenses of any person assigned to or serving in any office of any of the several States of the United States or any political subdivision thereof.

SEC. 104. None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship; (2) for the promotion, direct or indirect, of the principle or doctrine of one world government or one world citizenship.

Advocates of one world government.

SEC. 105. It is the sense of the Congress that the Communist Chinese Government should not be admitted to membership in the United Nations as the representative of China.

Communist China.

This title may be cited as the "Department of State Appropriation Act, 1963".

Citation of title.

## TITLE II—DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

Department of Justice Appropriation Act, 1963.

## SALARIES AND EXPENSES, GENERAL ADMINISTRATION

For expenses necessary for the administration of the Department of Justice and for examination of judicial offices, including purchase (two for replacement only) and hire of passenger motor vehicles; and miscellaneous and emergency expenses authorized or approved by the Attorney General or the Administrative Assistant Attorney General; \$4,295,000.

## SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including miscellaneous and emergency expenses authorized or approved by the Attorney General or the Administrative Assistant Attorney General; not to exceed \$20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and advances of public moneys pursuant to law (31 U.S.C. 529); \$16,500,000.

60 Stat. 809.

## ALIEN PROPERTY ACTIVITIES

## LIMITATION ON GENERAL ADMINISTRATIVE EXPENSES

The Attorney General, or such officer as he may designate, is hereby authorized to pay out of any funds or other property or interest vested in him or transferred to him pursuant to or with respect to the Trading With the Enemy Act of October 6, 1917, as amended (50 U.S.C. App.), and the International Claims Settlement Act, as amended (22 U.S.C. 1631), necessary expenses incurred in carrying out the powers and duties conferred on the Attorney General pursuant to said Acts: *Provided*, That not to exceed \$690,000 shall be available in the current fiscal year for the general administrative expenses of alien property activities, including rent of private or Government-owned space in

40 Stat. 411.  
50 USC app. 1.

69 Stat. 562.

Report to congressional committees.

the District of Columbia: *Provided further*, That on or before November 1 of the current fiscal year the Attorney General shall make a report to the Appropriations Committees of the Senate and the House of Representatives giving detailed information on all administrative and nonadministrative expenses incurred during the next preceding fiscal year in connection with the alien property activities: *Provided further*, That of the total amount herein authorized the amount of \$50,000 is to be transferred to the appropriation for "Salaries and expenses, general administration", Justice.

#### SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, \$5,988,000: *Provided*, That none of this appropriation shall be expended for the establishment and maintenance of permanent regional offices of the Antitrust Division.

#### SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

For necessary expenses of the offices of United States attorneys and marshals, including purchase of firearms and ammunition; \$27,085,000, of which not to exceed \$50,000 shall be available for the employment of temporary deputy marshals in lieu of bailiffs at a rate of not to exceed \$12 per day: *Provided*, That of the amount herein appropriated \$17,500 may be used for the emergency replacement of one prisoner-carrying bus upon certificate of the Attorney General: *Provided further*, That of the amount herein appropriated not to exceed \$200,000 shall be available for payment of compensation and expenses of Commissioners appointed in condemnation cases under Rule 71A(h) of the Federal Rules of Civil Procedure.

28 USC app.

#### FEES AND EXPENSES OF WITNESSES

For expenses, mileage, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, and not to exceed \$275,000 for such compensation and expenses of witnesses (including expert witnesses) or informants pursuant to section 1 of the Act of July 28, 1950 (5 U.S.C. 341) and sections 4244-48 of title 18, United States Code; \$1,900,000: *Provided*, That no part of the sum herein appropriated shall be used to pay any witness more than one attendance fee for any one calendar day.

64 Stat. 380.

63 Stat. 686.

#### SALARIES AND EXPENSES, ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

For expenses, not otherwise provided for, necessary for the Administrative Conference of the United States, \$100,000.

#### FEDERAL BUREAU OF INVESTIGATION

##### SALARIES AND EXPENSES

For expenses necessary for the detection and prosecution of crimes against the United States; protection of the person of the President of the United States; acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities, and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments or related agencies; and such other investigations regarding official matters under the control of the Department

of Justice and the Department of State as may be directed by the Attorney General, including purchase for police-type use without regard to the general purchase price limitation for the current fiscal year (not to exceed five hundred and one, including one armored vehicle, for replacement only) and hire of passenger motor vehicles; firearms and ammunition; not to exceed \$10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph; payment of rewards; and not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; \$130,700,000: *Provided*, That the compensation of the Director of the Bureau shall be \$22,000 per annum so long as the position is held by the present incumbent.

Director,  
compensation.

None of the funds appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any civil-service employee.

Restriction.

#### IMMIGRATION AND NATURALIZATION SERVICE

##### SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including advance of cash to aliens for meals and lodging while en route; payment of allowances (at a rate not in excess of \$1 per day) to aliens, while held in custody under the immigration laws, for work performed; payment of rewards; not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use, without regard to the general purchase price limitation for the current fiscal year (not to exceed two hundred and fifty for replacement only) and hire of passenger motor vehicles; purchase (not to exceed five for replacement only) and maintenance and operation of aircraft; firearms and ammunition, attendance at firearms matches; refunds of head tax, maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; operation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto; acquisition of land as sites for enforcement fence and construction incident to such fence; reimbursement of the General Services Administration for security guard services for protection of confidential files; and maintenance, care, detention, surveillance, parole, and transportation of alien enemies and their wives and dependent children, including return of such persons to place of bona fide residence or to such other place as may be authorized by the Attorney General; \$64,050,000: *Provided*, That of the amount herein appropriated, not to exceed \$50,000 may be used for the emergency replacement of aircraft upon certificate of the Attorney General.

Aircraft.

#### FEDERAL PRISON SYSTEM

##### SALARIES AND EXPENSES, BUREAU OF PRISONS

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including supervision of United States prisoners in non-Federal institutions; purchase of not to exceed twenty-six (of which twenty shall be for replacement only) and hire of passenger motor vehicles; compilation of statistics relating to prisoners in Federal and non-Federal penal and correctional institutions; payment pursuant to law of claims

63 Stat. 167.

64 Stat. 381;  
73 Stat. 567.

of employees for loss, damage, or destruction of personal property (31 U.S.C. 238); firearms and ammunition; medals and other awards; payment of rewards; purchase and exchange of farm products and livestock; construction of buildings at prison camps; and acquisition of land and water rights as authorized by section 7 of the Act of July 28, 1950 (5 U.S.C. 341f); \$48,814,000: *Provided*, That there may be transferred to the Public Health Service such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditure by that Service for medical relief for inmates of Federal penal and correctional institutions.

#### BUILDINGS AND FACILITIES

For constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, and for planning, site acquisition, and commencing construction of a new psychiatric institution, including all necessary expenses incident thereto, by contract or force account, \$3,545,000: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation.

#### SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, including necessary clothing and medical aid, and payment of rewards, \$3,700,000.

#### GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

Attorneys, quali-  
fications.

SEC. 202. None of the funds appropriated by this title may be used to pay the compensation of any person hereafter employed as an attorney (except foreign counsel employed in special cases) unless such person shall be duly licensed and authorized to practice as an attorney under the laws of a State, territory, or the District of Columbia.

Reimbursement  
to U. S.

SEC. 203. Seventy-five per centum of the expenditures for the offices of the United States attorney and the United States marshal for the District of Columbia from all appropriations in this title shall be reimbursed to the United States from any funds in the Treasury of the United States to the credit of the District of Columbia.

Attendance at  
meetings.

SEC. 204. Appropriations and authorizations made in this title which are available for expenses of attendance at meetings shall be expended for such purposes in accordance with regulations prescribed by the Attorney General.

60 Stat. 810.

SEC. 205. Appropriations and authorizations made in this title for salaries and expenses shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$75 per diem for individuals.

68 Stat. 1114.  
Citation of  
title.

SEC. 206. Appropriations for the current fiscal year for "Salaries and expenses, general administration", "Salaries and expenses, Federal Bureau of Investigation", "Salaries and expenses, Immigration and Naturalization Service", and "Salaries and expenses, Bureau of Prisons", shall be available for uniforms and allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

This title may be cited as the "Department of Justice Appropriation Act, 1963".

## TITLE III—DEPARTMENT OF COMMERCE

Department of  
Commerce Ap-  
propriation Act,  
1963.

## GENERAL ADMINISTRATION

## SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce, including expenses necessary to carry out the provisions of the Great Lakes Pilotage Act of 1960 (74 Stat. 259), and not to exceed \$1,500 for official entertainment, \$3,800,000.

46 USC 216  
note.

## AVIATION WAR RISK INSURANCE REVOLVING FUND

The Secretary of Commerce is hereby authorized to make such expenditures, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958 (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for aviation war risk insurance activities under said Act.

72 Stat. 803.

61 Stat. 584.

## AREA REDEVELOPMENT ADMINISTRATION

## OPERATIONS

For necessary expenses, not otherwise provided for, of the Area Redevelopment Administration, including not to exceed \$3,600,000 for technical assistance, as authorized by section 11 of the Area Redevelopment Act (75 Stat. 47), and hire of passenger motor vehicles, \$12,250,000.

42 USC 2510.

## GRANTS FOR PUBLIC FACILITIES

For grants in accordance with the provisions of section 8 of the Area Redevelopment Act (75 Stat. 53), \$35,000,000.

42 USC 2507.

## AREA REDEVELOPMENT FUND

For loans and participations as authorized by section 6 and public facility loans as authorized by section 7 of the Area Redevelopment Act (75 Stat. 53), \$115,050,000: *Provided*, That no part of the appropriations contained in this Act shall be used for administrative expenses in connection with loans and participations financed or to be financed with funds borrowed from the Secretary of the Treasury.

42 USC 2506.

## EXPORT CONTROL

For expenses necessary for carrying out the provisions of the Export Control Act of 1949, as amended, relating to export controls, including awards of compensation to informers under said Act and as authorized by the Act of August 13, 1953 (22 U.S.C. 401), \$3,695,000 of which not to exceed \$1,337,000 may be advanced to the Bureau of Customs, Treasury Department, for enforcement of the export control program, and of which not to exceed \$80,400 may be advanced to the appropriation for "Salaries and expenses" under "General administration".

63 Stat. 7.  
50 USC app.  
2021 note.  
67 Stat. 577.

## OFFICE OF FIELD SERVICES

## SALARIES AND EXPENSES

For expenses necessary to operate and maintain field offices for the collection and dissemination of information useful in the development and improvement of commerce throughout the United States and its possessions, \$3,350,000.

## BUSINESS AND DEFENSE SERVICES ADMINISTRATION

## SALARIES AND EXPENSES

For necessary expenses of the Business and Defense Services Administration, \$4,940,000.

## INTERNATIONAL ACTIVITIES

## SALARIES AND EXPENSES

For necessary expenses for the promotion of foreign commerce, including trade centers and trade and industrial exhibits, abroad, without regard to the provisions of law set forth in 41 U.S.C. 5 and 13; 44 U.S.C. 111, 322, and 324; purchase of commercial and trade reports; employment of aliens by contract for services abroad; rental of space abroad, for periods not exceeding five years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; and not to exceed \$10,000 for official representation expenses abroad; \$7,025,000, of which \$1,600,000 shall remain available for trade and industrial exhibits until June 30, 1964: *Provided*, That the provisions of the first sentence of section 105(f) and all of 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256) shall apply in carrying out the activities concerned with exhibits and missions.

28 Stat. 622;  
20 Stat. 216.

63 Stat. 62;  
73 Stat. 471.

75 Stat. 531.  
22 USC 2455,  
2458.

## UNITED STATES TRAVEL SERVICE

## SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the International Travel Act of 1961 (75 Stat. 129), including employment of aliens by contract for service abroad; rental of space, for periods not exceeding five years, and expenses of alteration, repair or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; and not to exceed \$5,000 for representation expenses abroad; \$3,350,000.

22 USC 2121  
note.

## OFFICE OF BUSINESS ECONOMICS

## SALARIES AND EXPENSES

For necessary expenses of the Office of Business Economics, \$1,750,000.

## BUREAU OF THE CENSUS

## SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, and publishing current census statistics, provided for by law, \$12,450,000.

## 1962 CENSUS OF GOVERNMENTS

For an additional amount for expenses necessary for preparing for, taking, compiling, and publishing the 1962 census of governments as authorized by law, \$1,050,000, to remain available until June 30, 1964.

## 1963 CENSUSES OF BUSINESS, TRANSPORTATION, MANUFACTURES, AND MINERAL INDUSTRIES

For an additional amount for expenses necessary for preparing for, taking, compiling, and publishing the 1963 censuses of business, transportation, manufactures, and mineral industries, as authorized by law, \$3,000,000, to remain available until December 31, 1966.

## 1964 CENSUS OF AGRICULTURE

For expenses necessary to prepare for taking, compiling, and publishing the 1964 Census of Agriculture, as authorized by law, \$700,000, to remain available until December 31, 1967.

## MODERNIZATION OF COMPUTING EQUIPMENT

For expenses necessary for replacement of an electronic computer system, \$4,000,000, to remain available until June 30, 1964.

## EIGHTEENTH DECENNIAL CENSUS

The time limitation under this head in the General Government Matters, Department of Commerce, and Related Agencies Appropriation Act 1962 is changed from "December 31, 1962" to "June 30, 1963".

75 Stat. 271.

## COAST AND GEODETIC SURVEY

## SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Act of August 6, 1947, as amended (33 U.S.C. 883a-883i), including hire of aircraft; operation, maintenance, and repair of an airplane; pay, allowances, gratuities, transportation of dependents and household effects, and payment of funeral expenses, as authorized by law, for an authorized strength of 200 commissioned officers on the active list; and pay of commissioned officers retired in accordance with law; \$22,750,000, of which \$840,000 shall be available for retirement pay of commissioned officers and payments under the Retired Serviceman's Family Protection Plan: *Provided*, That during the current fiscal year, this appropriation shall be reimbursed for at least press costs and costs of paper for charts published by the Coast and Geodetic Survey and furnished for the official use of the military departments of the Department of Defense: *Provided further*, That this appropriation shall be available for construction of a seismological vault and a recorder building on private property, on a long term lease basis.

61 Stat. 787.



## CONSTRUCTION OF SURVEYING SHIPS

61 Stat. 788.

For necessary expenses for the design, supervision, construction, equipping, and outfitting of surveying vessels, as authorized by the Act of August 6, 1947 (33 U.S.C. 883i), \$14,400,000, to remain available until expended: *Provided*, That appropriations granted under this heading shall be available for completing payments on the construction contract for the Coast and Geodetic Survey ship Surveyor.

## INLAND WATERWAYS CORPORATION

## LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$2,000 shall be available for administrative expenses to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947).

## MARITIME ADMINISTRATION

## SHIP CONSTRUCTION

49 Stat. 1996;  
52 Stat. 958.53 Stat. 1183;  
68 Stat. 680.

For construction-differential subsidy and cost of national-defense features incident to construction of ships for operation in foreign commerce (46 U.S.C. 1152, 1154); for construction-differential subsidy and cost of national-defense features incident to the reconstruction and reconditioning of ships under title V of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1154); and for acquisition of used ships pursuant to section 510 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1160); to remain available until expended, \$64,200,000, of which not less than \$4,300,000 shall be available for the reconversion of combination vessels: *Provided*, That transfers may be made to the appropriation for the current fiscal year for "Salaries and expenses" for administrative and warehouse expenses (not to exceed \$3,150,000) and for reserve fleet expenses (not to exceed \$500,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses.

## OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORIZATION)

46 USC 1245.

For the payment of obligations incurred for operating-differential subsidies granted on or after January 1, 1947, as authorized by the Merchant Marine Act, 1936, as amended, and in appropriations heretofore made to the United States Maritime Commission, \$220,400,000, to remain available until expended: *Provided*, That no contracts shall be executed during the current fiscal year by the Secretary of Commerce which will obligate the Government to pay operating-differential subsidy on more than two thousand four hundred voyages in any one calendar year, including voyages covered by contracts in effect at the beginning of the current fiscal year.

## RESEARCH AND DEVELOPMENT

For expenses necessary for research, development, fabrication, and test operation of experimental facilities and equipment; studies to improve water transportation systems; and supporting services related to nuclear ship operation; \$3,550,000, to remain available until expended: *Provided*, That transfers may be made to the appropriation for the current fiscal year for "Salaries and expenses" for administra-

tive expenses (not to exceed \$600,000), and any such transfers shall be without regard to the limitation under that appropriation on the amount available for such expenses: *Provided further*, That transfers may be made from this appropriation to the "Vessel operations revolving fund" for losses resulting from expenses of experimental ship operations.

#### SALARIES AND EXPENSES

For expenses necessary for carrying into effect the Merchant Marine Act, 1936, and other laws administered by the Maritime Administration, \$14,950,000, within limitations as follows: 46 USC 1245.

Administrative expenses, including not to exceed \$1,125 for entertainment of officials of other countries when specifically authorized by the Maritime Administrator, and not to exceed \$1,250 for representation allowances, \$8,173,400;

Maintenance of shipyard facilities and operation of warehouses, \$1,000,000;

Reserve fleet expenses, \$5,776,600.

#### MARITIME TRAINING

For training cadets as officers of the Merchant Marine at the Merchant Marine Academy at Kings Point, New York; not to exceed \$2,500 for contingencies for the Superintendent, United States Merchant Marine Academy, to be expended in his discretion; and uniform and textbook allowances for cadet midshipmen, at an average yearly cost of not to exceed \$300 per cadet; \$3,300,000: *Provided*, That, except as herein provided for uniform and textbook allowances, this appropriation shall not be used for compensation or allowances for cadets: *Provided further*, That reimbursement may be made to the appropriation for the current fiscal year for "Maritime training", for expenses in support of activities financed from the appropriations for "Research and development" and "Ship construction".

#### STATE MARINE SCHOOLS

For financial assistance to State marine schools and the students thereof as authorized by the Maritime Academy Act of 1958 (72 Stat. 622-624), \$1,375,000, of which \$250,000 is for maintenance and repair of vessels loaned by the United States for use in connection with such State marine schools, and \$1,125,000, to remain available until expended, is for liquidation of obligations incurred under authority granted by said Act, to enter into contracts to make payments for expenses incurred in the maintenance and support of marine schools, and to pay allowances for uniforms, textbooks, and subsistence of cadets at State marine schools.

46 USC 1381  
note.

#### GENERAL PROVISIONS—MARITIME ADMINISTRATION

No additional vessel shall be allocated under charter, nor shall any vessel be continued under charter by reason of any extension of chartering authority beyond June 30, 1949, unless the charterer shall agree that the Maritime Administration shall have no obligation upon redelivery to accept or pay for consumable stores, bunkers, and slopchest items, except with respect to such minimum amounts of bunkers as the Maritime Administration considers advisable to be retained on the vessel and that prior to such redelivery all consumable stores, slopchest items, and bunkers over and above such minimums shall be removed from the vessel by the charterer at his own expense.

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

50 Stat. 839.  
46 USC 1116.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

#### PATENT OFFICE

##### SALARIES AND EXPENSES

For necessary expenses of the Patent Office, including defense of suits instituted against the Commissioner of Patents; \$26,010,000.

#### BUREAU OF PUBLIC ROADS

##### LIMITATION ON GENERAL ADMINISTRATIVE EXPENSES

23 USC 313  
note.

Necessary expenses of administration and research (not to exceed \$36,800,000), including maintenance of a National Register of Revoked Motor Vehicle Operators' Licenses, as authorized by law (74 Stat. 526), and purchase of forty-seven passenger motor vehicles of which forty-four shall be for replacement only, shall be paid, in accordance with law, from appropriations made available by this Act to the Bureau of Public Roads and from advances and reimbursements received by the Bureau of Public Roads.

72 Stat. 889,  
914.

Of the total amount available from appropriations of the Bureau of Public Roads for general administrative and research expenses pursuant to the provisions of title 23, United States Code, section 104(a), \$100,000 shall be available for carrying out the provisions of title 23, United States Code, section 309.

##### FEDERAL-AID HIGHWAYS (TRUST FUND)

72 Stat. 885.

For carrying out the provisions of title 23, United States Code, which are attributable to Federal-aid highways, to remain available until expended, \$3,249,200,000, or so much thereof as may be available in and derived from the "Highway trust fund"; which sum is composed of \$1,508,261,397, the balance of the amount authorized for the fiscal year 1961, and \$1,735,000,000 (or so much thereof as may be available in and derived from the "Highway trust fund"), a part of the amount authorized to be appropriated for the fiscal year 1962, \$4,938,603 for reimbursement of the sums expended for the repair or reconstruction of highways and bridges which have been damaged or destroyed by floods, hurricanes, or landslides, as provided by title 23, United States Code, section 125, and \$1,000,000 for reimbursement of the sums expended for the design and construction of bridges upon and across dams, as provided by title 23, United States Code, section 320.

73 Stat. 612.

72 Stat. 917.

## IMPROVEMENT OF THE PENTAGON ROAD NETWORK (TRUST FUND)

For expenses necessary for the improvement of routes on the Pentagon Road Network, to be conveyed to the Commonwealth of Virginia, as authorized by the Act of September 26, 1961 (75 Stat. 670), to remain available until expended, \$2,000,000, to be derived from the Highway Trust Fund.

## FOREST HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 204, pursuant to contract authorization granted by title 23, United States Code, section 203, to remain available until expended, \$32,000,000, which sum is composed of \$7,850,000, the balance of the amount authorized to be appropriated for the fiscal year 1961, and \$24,150,000, a part of the amount authorized to be appropriated for the fiscal year 1962: *Provided*, That this appropriation shall be available for the rental, purchase, construction, or alteration of buildings and sites necessary for the storage and repair of equipment and supplies used for road construction and maintenance but the total cost of any such item under this authorization shall not exceed \$15,000.

72 Stat. 907,  
906.

## PUBLIC LANDS HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 209, pursuant to the contract authorization granted by title 23, United States Code, section 203, to remain available until expended, \$2,500,000, which sum is composed of \$800,000, the balance of the amount authorized to be appropriated for the fiscal year 1962, and \$1,700,000, a part of the amount authorized to be appropriated for the fiscal year 1963.

72 Stat. 908,  
906.

## CONTROL OF OUTDOOR ADVERTISING

For incentive payments to the States for control of outdoor advertising, as authorized by law (23 U.S.C. 131), \$2,000,000, to remain available until expended.

72 Stat. 904.

## GENERAL PROVISIONS—BUREAU OF PUBLIC ROADS

Not to exceed \$10,000 may be expended during the current fiscal year for services of individuals employed pursuant to section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates in excess of \$50 per diem.

60 Stat. 810.

## NATIONAL BUREAU OF STANDARDS

## RESEARCH AND TECHNICAL SERVICES

For expenses necessary in performing the functions authorized by the Act of March 3, 1901, as amended (15 U.S.C. 271-278e), including general administration; operation, maintenance, alteration, and protection of grounds and facilities; and improvement and construction of facilities as authorized by the Act of September 2, 1958 (15 U.S.C. 278d); \$27,500,000 of which not to exceed \$1,700,000 shall be available for payments to the "Working capital fund", National Bureau of Standards, for additional capital: *Provided*, That during the current fiscal year the maximum base rate of compensation for employees appointed pursuant to the Act of September 2, 1958 (15 U.S.C. 278e), shall be equivalent to the maximum scheduled rate for GS-12.

31 Stat. 1449.

72 Stat. 1711.

## RESEARCH AND TECHNICAL SERVICES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the National Bureau of Standards, as authorized by law, \$500,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to the Bureau, for the purchase of the foregoing currencies.

## PLANT AND FACILITIES

72 Stat. 1711.

For expenses incurred, as authorized by section 1 of the Act of September 2, 1958 (15 U.S.C. 278c-278e), in the acquisition, construction, improvement, alteration, or emergency repair of buildings, grounds, and other facilities including a plasma physics building, a radio warning service building, and a paint shop; design of a radio standards laboratory; and procurement and installation of special research equipment and facilities, therefor; \$2,000,000, to remain available until expended.

## CONSTRUCTION OF FACILITIES

For an additional amount for "Construction of facilities", including construction, equipment, and expenses of occupying the facilities, \$30,000,000, to remain available until expended: *Provided*, That not to exceed \$6,250,000 of this amount shall be available for payment to the "Working capital fund", National Bureau of Standards, for additional capital for purchase of equipment.

## WORKING CAPITAL FUND

The "Working capital fund" shall be available, during the current fiscal year, for the purchase of not to exceed four passenger motor vehicles for replacement only.

## WEATHER BUREAU

## SALARIES AND EXPENSES

For expenses necessary for the Weather Bureau, including maintenance and operation of aircraft; purchase of upper air supplies for delivery through December 31, of the next fiscal year; and not to exceed \$10,000 for maintenance of a printing office in the city of Washington, as authorized by law; \$59,500,000.

## RESEARCH AND DEVELOPMENT

For expenses necessary for the conduct of research by the Weather Bureau, including development and service testing of equipment; purchase of two aircraft; operation and maintenance of aircraft; and for acquisition, establishment, and relocation of research facilities and related equipment; \$11,000,000, to remain available until June 30, 1965: *Provided*, That appropriations granted under this head, in the fiscal year 1962, shall be merged with this appropriation.

## ESTABLISHMENT OF METEOROLOGICAL FACILITIES

For an additional amount for the acquisition, establishment, and relocation of operational facilities and related equipment, including the alteration and modernization of existing facilities, and for the acquisition of land; \$4,325,000, to remain available until June 30, 1965: *Provided*, That the appropriations heretofore granted under this head shall be merged with this appropriation.

## METEOROLOGICAL SATELLITE OPERATIONS

For expenses necessary to establish and operate a system for the continuous observation of worldwide meteorological conditions from space satellites and for the reporting and processing of the data obtained for use in weather forecasting, \$40,000,000, to remain available until expended: *Provided*, That payments of not to exceed \$285,000 may be made to the appropriation for the Weather Bureau for the current fiscal year for "Salaries and expenses": *Provided further*, That this appropriation shall be available for payment to the National Aeronautics and Space Administration for procurement, in accordance with the authority available to that Administration, of such equipment or facilities as may be necessary to establish and operate the aforesaid system.

## GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 302. During the current fiscal year applicable appropriations and funds available to the Department of Commerce shall be available for the activities specified in the Act of October 26, 1949 (5 U.S.C. 596a), to the extent and in the manner prescribed by said Act.

63 Stat. 907.

SEC. 303. Appropriations in this title available for salaries and expenses shall be available for hire of passenger motor vehicles; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but, unless otherwise specified, at rates for individuals not to exceed \$75 per diem; and uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

60 Stat. 810.

68 Stat. 1114.

SEC. 304. The Bureau of the Budget shall provide the Congress, in connection with the budget presentation for fiscal year 1964 and each succeeding year thereafter, a horizontal budget showing (a) the totality of the programs for meteorology, (b) the specific aspects of the program and funding assigned to each agency, and (c) the estimated goals and financial requirements.

This title may be cited as the "Department of Commerce Appropriation Act, 1963".

Citation of title.

## TITLE IV—THE JUDICIARY

## SUPREME COURT OF THE UNITED STATES

## SALARIES

For the Chief Justice and eight Associate Justices, and all other officers and employees, whose compensation shall be fixed by the Court, except as otherwise provided by law, and who may be employed and assigned by the Chief Justice to any office or work of the Court, \$1,494,000.

Judiciary  
Appropriation  
Act, 1963.

### PRINTING AND BINDING SUPREME COURT REPORTS

For printing and binding the advance opinions, preliminary prints, and bound reports of the Court, \$108,000.

### MISCELLANEOUS EXPENSES

For miscellaneous expenses, to be expended as the Chief Justice may approve, \$79,000.

### CARE OF THE BUILDING AND GROUNDS

48 Stat. 668.

5 USC 1071  
note; 5 USC 2251  
note.

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a—13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without reference to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); \$323,400.

### AUTOMOBILE FOR THE CHIEF JUSTICE

For purchase, exchange, lease, driving, maintenance, and operation of an automobile for the Chief Justice of the United States, \$6,800.

### BOOKS FOR THE SUPREME COURT

For books and periodicals for the Supreme Court, to be purchased by the Librarian of the Supreme Court, under the direction of the Chief Justice, \$35,000.

### COURT OF CUSTOMS AND PATENT APPEALS

#### SALARIES AND EXPENSES

For salaries of the chief judge, four associate judges, and all other officers and employees of the court, and necessary expenses of the court, including exchange of books, and traveling expenses, as may be approved by the chief judge, \$361,000.

### CUSTOMS COURT

#### SALARIES AND EXPENSES

60 Stat. 810.

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and necessary expenses of the court, including exchange of books, and traveling expenses, as may be approved by the court; \$919,000: *Provided*, That traveling expenses of judges of the Customs Court shall be paid upon the written certificate of the judge.

### COURT OF CLAIMS

#### SALARIES AND EXPENSES

For salaries of the chief judge, four associate judges, and all other officers and employees of the court, and for other necessary expenses, including stenographic and other fees and charges necessary in the taking of testimony, and travel, \$1,025,000.

## REPAIRS AND IMPROVEMENTS

For necessary repairs and improvements to the Court of Claims buildings, to be expended under the supervision of the Architect of the Capitol, \$9,500.

## COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

## SALARIES OF JUDGES

For salaries of circuit judges; district judges (including judges of the district courts of the Virgin Islands, the Panama Canal Zone, and Guam); justices and judges retired or resigned under title 28, United States Code, sections 371, 372, and 373; and annuities of widows of Justices of the Supreme Court of the United States in accordance with title 28, United States Code, section 375; \$10,860,000.

68 Stat. 12.

68 Stat. 918.

## SALARIES OF SUPPORTING PERSONNEL

For salaries of all officials and employees of the Federal Judiciary, not otherwise specifically provided for, \$27,000,000: *Provided*, That the compensation of secretaries and law clerks of circuit and district judges shall be fixed by the Director of the Administrative Office of the United States Courts without regard to the Classification Act of 1949, as amended, except that the salary of a secretary shall conform with that of the General Schedule grades (GS) 5, 6, 7, 8, 9, or 10, as the appointing judge shall determine, and the salary of a law clerk shall conform with that of the General Schedule grades (GS) 7, 8, 9, 10, 11, or 12, as the appointing judge shall determine, subject to review by the Judicial Conference of the United States if requested by the Director, such determination by the judge otherwise to be final: *Provided further*, That (exclusive of step increases corresponding with those provided for by title VII of the Classification Act of 1949, as amended, and of compensation paid for temporary assistance needed because of an emergency) the aggregate salaries paid to secretaries and law clerks appointed by one judge shall not exceed \$15,950 per annum, except in the case of the chief judge of each circuit and the chief judge of each district court having five or more district judges, in which case the aggregate salaries shall not exceed \$21,305 per annum.

5 USC 1071  
note.  
*Ante*, p. 843.*Ante*, p. 847.

## FEES OF JURORS AND COMMISSIONERS

For fees, expenses, and costs of jurors; compensation of jury commissioners; fees of United States commissioners and other committing magistrates acting under title 18, United States Code, section 3041; and compensation of voting referees fixed by the court pursuant to the provisions of the Civil Rights Act of 1960 (74 Stat. 86); \$5,800,000: *Provided*, That \$300,000 of the foregoing amount shall be available for the payment of obligations incurred under the appropriation for similar purposes for the preceding fiscal year.

62 Stat. 815.

42 USC 1971  
note.

## TRAVEL AND MISCELLANEOUS EXPENSES

For necessary travel and miscellaneous expenses, not otherwise provided for, incurred by the Judiciary, including the purchase of firearms and ammunition, and the cost of contract statistical services for the office of Register of Wills of the District of Columbia, \$4,600,000: *Provided*, That this sum shall be available in an amount not to exceed \$16,500 for expenses of attendance at meetings concerned with the work of Federal probation when incurred on the written authorization



of the Director of the Administrative Office of the United States Courts: *Provided further*, That no part of this appropriation may be used for payment of actual expenses of subsistence in excess of \$25 per diem.

#### ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

For necessary expenses of the Administrative Office of the United States Courts, including travel, advertising, and rent in the District of Columbia and elsewhere, \$1,500,000: *Provided*, That not to exceed \$110,000 of the appropriations contained in this title shall be available for the study of rules of practice and procedure.

#### SALARIES OF REFEREES

60 Stat. 326;  
73 Stat. 259.

For salaries of referees as authorized by the Act of June 28, 1946, as amended (11 U.S.C. 68), not to exceed \$2,600,000, to be derived from the Referees' salary and expense fund established in pursuance of said Act.

#### EXPENSES OF REFEREES

60 Stat. 329.

For expenses of referees as authorized by the Act of June 28, 1946, as amended (11 U.S.C. 68, 102), not to exceed \$4,850,000, to be derived from the Referees' salary and expense fund established in pursuance of said Act.

#### GENERAL PROVISIONS—THE JUDICIARY

Reimbursement  
to U. S.

SEC. 402. Sixty per centum of the expenditures for the District Court of the United States for the District of Columbia from all appropriations under this title and 30 per centum of the expenditures for the United States Court of Appeals for the District of Columbia from all appropriations under this title shall be reimbursed to the United States from any funds in the Treasury to the credit of the District of Columbia.

U. S. Court  
of Appeals, re-  
ports.

SEC. 403. The reports of the United States Court of Appeals for the District of Columbia shall not be sold for a price exceeding that approved by the court and for not more than \$6.50 per volume.

Citation of  
title.

This title may be cited as the "Judiciary Appropriation Act, 1963".

### TITLE V—RELATED AGENCIES

#### AMERICAN BATTLE MONUMENTS COMMISSION

##### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; not to exceed \$80,000 for expenses of travel; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries when required by law of such countries; \$1,523,000: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed

Forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it.

#### DEDICATION OF MEMORIALS

Not to exceed \$40,000 shall be available until June 30, 1964, from the appropriation to the Commission for "Salaries and expenses", for the current fiscal year, for necessary expenses of appropriate dedications of World War II memorials, erected under the authority of the Act of July 25, 1956 (36 U.S.C. 123), including travel and such other expenses as the Commission may deem necessary, and such amount may be expended without regard to such provisions of law, or regulations relating to the expenditure of public funds as the Commission may deem proper (except that this exemption shall not be construed as waiving the requirement for a General Accounting Office audit): *Provided*, That, when in the discretion of the head of any other Government agency it would be in the public interest, personnel, services, supplies, equipment, and facilities of such agency may be furnished, without reimbursement to the Commission for the purposes of these dedications.

70 Stat. 641.

#### COMMISSION ON CIVIL RIGHTS

##### SALARIES AND EXPENSES

For expenses necessary for the Commission on Civil Rights, including hire of passenger motor vehicles, \$950,000: *Provided*, That the compensation of any employee paid from funds provided under this head shall not exceed \$20,500 per annum.

#### FEDERAL MARITIME COMMISSION

##### SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$75 per diem: hire of passenger motor vehicles; and uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); \$2,300,000.

60 Stat. 810.

68 Stat. 1114.

#### FOREIGN CLAIMS SETTLEMENT COMMISSION

##### SALARIES AND EXPENSES

For expenses necessary to carry on the activities of the Foreign Claims Settlement Commission, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); allowances and benefits similar to those provided by title IX of the Foreign Service Act of 1946, as amended, as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters for personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; and advances of funds abroad; not to exceed \$12,000 for expenses of travel; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles

22 USC 1131-1158.

for field use only; purchase of two passenger motor vehicles for use in Poland; and employment of aliens; \$700,000, and in addition \$30,000 (to be merged with this appropriation) to be derived from the War claims fund created by section 13(a) of the War Claims Act of 1948 (50 U.S.C. App. 2012a).

62 Stat. 1247.  
50 USC app.  
2012(a).

### SMALL BUSINESS ADMINISTRATION

#### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles, \$5,750,000, and in addition there may be transferred to this appropriation not to exceed \$27,000,000 from the revolving fund, Small Business Administration, for administrative expenses in connection with activities financed under said fund: *Provided*, That the amount authorized for transfer from the revolving fund, Small Business Administration, may be increased, with the approval of the Director of the Bureau of the Budget, by such amount (not exceeding \$500,000) as may be required to finance administrative expenses incurred in the making of disaster loans: *Provided further*, That 10 per centum of the amount authorized to be transferred from the revolving fund, Small Business Administration, shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may be necessary to carry out the business loan program.

31 USC 665.

#### REVOLVING FUND

For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitations, \$300,000,000.

### SUBVERSIVE ACTIVITIES CONTROL BOARD

#### SALARIES AND EXPENSES

For necessary expenses of the Subversive Activities Control Board, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), not to exceed \$30,000 for expenses of travel, and not to exceed \$500 for the purchase of newspapers and periodicals, \$395,000.

60 Stat. 810.

### TARIFF COMMISSION

#### SALARIES AND EXPENSES

For necessary expenses of the Tariff Commission, including subscriptions to newspapers (not to exceed \$300), not to exceed \$70,000 for expenses of travel, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$75 per diem for individuals, \$2,950,000: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative: *Provided further*, That no part of the foregoing appropriation shall be used for making any special study, investigation, or report at the request of any other agency of the executive branch of the Government unless reimbursement is made for the cost thereof.

60 Stat. 810.

46 Stat. 701.  
19 USC 1336-  
1338.

## UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

## ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided for, for arms control and disarmament activities authorized by the Act of September 26, 1961 (75 Stat. 631), \$6,500,000.

50 USC 1501  
note.

## UNITED STATES INFORMATION AGENCY

## SALARIES AND EXPENSES

For expenses necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 8 of 1953, the Mutual Educational and Cultural Exchange Act (75 Stat. 527), and the United States Information and Educational Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international information activities, including employment, without regard to the civil service and classification laws, of (1) persons on a temporary basis (not to exceed \$120,000), (2) aliens within the United States, and (3) aliens abroad for service in the United States relating to the translation or narration of colloquial speech in foreign languages (such aliens to be investigated for such employment in accordance with procedures established by the Secretary of State and the Attorney General); travel expenses of aliens employed abroad for service in the United States and their dependents to and from the United States; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); entertainment within the United States not to exceed \$500; hire of passenger motor vehicles; insurance on official motor vehicles in foreign countries; services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; advance of funds notwithstanding section 3648 of the Revised Statutes, as amended; dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; employment of aliens, by contract, for service abroad; purchase of ice and drinking water abroad; payment of excise taxes on negotiable instruments abroad; cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Director may prescribe; actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in activities authorized under this appropriation; radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script-writing, translation, and engineering services, by contract or otherwise; maintenance, improvement, and repair of properties used for information activities in foreign countries; fuel and utilities for Government-owned or leased property abroad; rental or lease for periods not exceeding five years of offices, buildings, grounds, and living quarters for officers and employees engaged in informational activities abroad; travel expenses for employees attending official international conferences, without regard to the Standardized Government Travel Regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949,

67 Stat. 642.  
5 USC 1332-15  
note.  
22 USC 2451  
note.  
62 Stat. 6;  
75 Stat. 538.

60 Stat. 999.

60 Stat. 810.

63 Stat. 62;  
73 Stat. 471.

31 USC 529.

75 Stat. 339.  
5 USC 835 note.

Travel out-  
side U. S.

63 Stat. 383.

but at rates not in excess of comparable allowances approved for such conferences by the Secretary of State; and purchase of objects for presentation to foreign governments, schools, or organizations; \$120,500,000, of which not less than \$11,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed \$110,000 may be used for representation abroad: *Provided further*, That this appropriation shall be available for expenses in connection with travel of personnel outside the continental United States, including travel of dependents and transportation of personal effects, household goods, or automobiles of such personnel, when any part of such travel or transportation begins in the current fiscal year pursuant to travel orders issued in that year, notwithstanding the fact that such travel or transportation may not be completed during the current year: *Provided further*, That passenger motor vehicles used abroad exclusively for the purposes of this appropriation may be exchanged or sold, pursuant to section 201(c) of the Act of June 30, 1949 (40 U.S.C. 481(c)), and the exchange allowances or proceeds of such sales shall be available for replacement of an equal number of such vehicles and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed \$1,500: *Provided further*, That, notwithstanding the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the United States Information Agency is authorized, in making contracts for the use of international shortwave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That existing appointments and assignments to the Foreign Service Reserve for the purposes of foreign information and educational activities which expire during the current fiscal year may be extended for a period of one year in addition to the period of appointment or assignment otherwise authorized.

#### SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency, as authorized by law, \$8,500,000, to remain available until expended.

#### SPECIAL INTERNATIONAL EXHIBITIONS

22 USC 2452.

For expenses necessary to carry out the functions of the United States Information Agency under section 102(a)(3) of the "Mutual Educational and Cultural Exchange Act of 1961" (75 Stat. 527), \$7,600,000, to remain available until expended: *Provided*, That not to exceed a total of \$10,550 may be expended for representation: *Provided further*, That the unexpended balance of funds heretofore appropriated under the heading "Special International Program" for expenses of trade fair participation, labor and trade missions, and United States Information Agency special exhibits, shall be merged with funds appropriated hereunder and accounted for as one fund.

## SPECIAL INTERNATIONAL EXHIBITIONS

## (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency in connection with special international exhibitions under the Mutual Educational and Cultural Exchange Act of 1961 (75 Stat. 527), \$375,000, to remain available until expended: *Provided*, That not to exceed \$1,250 may be expended for representation: *Provided further*, That the unexpended balance of funds heretofore appropriated under the heading "Special International Program (Special Foreign Currency Program)" shall be merged with funds appropriated hereunder and accounted for as one fund.

22 USC 2451  
note.

## ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception, purchase and installation of necessary equipment for radio transmission and reception, without regard to the provisions of the Act of June 30, 1932 (40 U.S.C. 278a), and acquisition of land and interests in land by purchase, lease, rental, or otherwise, \$8,750,000, to remain available until expended: *Provided*, That this appropriation shall be available for acquisition of land outside the continental United States without regard to section 355 of the Revised Statutes (40 U.S.C. 255), and title to any land so acquired shall be approved by the Director of the United States Information Agency.

47 Stat. 412,  
1517.

## INFORMATIONAL MEDIA GUARANTEE FUND

For the "Informational media guarantee fund", for partial restoration of realized impairment to the capital used in carrying on the authority to make informational media guarantees, as provided in section 1011 of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442), \$1,000,000.

68 Stat. 862;  
70 Stat. 563.TITLE VI—FEDERAL PRISON INDUSTRIES,  
INCORPORATED

The following corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the fiscal year 1963 for such corporation including purchase (not to exceed ten) and hire of passenger motor vehicles, except as hereinafter provided:

61 Stat. 584.  
31 USC 849.LIMITATION ON ADMINISTRATIVE AND VOCATIONAL TRAINING EXPENSES,  
FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed \$575,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed \$1,135,000 for the expenses of vocational training of prisoners, both amounts to be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), and to be computed on an accrual basis and to be determined in accordance with the corporation's prescribed account-

60 Stat. 810.

ing system in effect on July 1, 1946, and shall be exclusive of depreciation, payment of claims, expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

## TITLE VII—GENERAL PROVISIONS

Publicity or  
propaganda.

SEC. 701. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 702. No part of any appropriation contained in this Act shall be used to administer any program which is funded in whole or in part from foreign currencies or credits for which a specific dollar appropriation therefor has not been made.

Short title.

This Act may be cited as the "Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1963".

Approved October 18, 1962.

### Public Law 87-844

October 18, 1962  
[H. R. 9804]

#### AN ACT

For the relief of Cuyahoga County, Ohio.

Cuyahoga County,  
Ohio.  
Claims settle-  
ment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$22,353.87 to the county of Cuyahoga, Ohio, in accordance with the recommendations of the opinion in congressional reference case numbered 7-59, Cuyahoga County, Ohio, against the United States, in the Court of Claims. The amount paid under the authority of this Act shall be in full settlement of all claims of Cuyahoga County, Ohio, against the United States for taxes, interest, assessments, and penalties due that county on parcels numbered 2 and 3 of property involved in a housing project in the city of Euclid, Ohio, which was included in a condemnation proceeding instituted in the United States District Court for the Northern District of Ohio on April 22, 1942: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Approved October 18, 1962.

### Public Law 87-845

October 18, 1962  
[H. R. 10931]

#### AN ACT

To revise and codify the general and permanent laws relating to and in force in the Canal Zone and to enact the Canal Zone Code, and for other purposes.

[This Act is printed as Volume 76A, U.S. Statutes at Large.]

## Public Law 87-846

## AN ACT

To amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses.

October 22, 1962  
[H. R. 7283]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

War Claims  
Act of 1948,  
amendment.

## TITLE I

SECTION 101. That the War Claims Act of 1948, as amended, is further amended by inserting after section 1 thereof the following:

62 Stat. 1240.  
50 USC app.  
2001 note.

## "TITLE I"

SEC. 102. The word "Act" wherever it appears in title I except in section 13 (a) in reference to the War Claims Act of 1948, as amended, is amended to read "title".

50 USC app.  
2012.

SEC. 103. The War Claims Act of 1948, as amended, is further amended by adding at the end thereof the following:

## "TITLE II

## "DEFINITIONS

"SEC. 201. As used in this title the term or terms—

"(a) 'Albania', 'Austria', 'Czechoslovakia', 'the Free Territory of Danzig', 'Estonia', 'Germany', 'Greece', 'Latvia', 'Lithuania', 'Poland', and 'Yugoslavia', when used in their respective geographical senses, mean the territorial limits of each such country or free territory, as the case may be, in continental Europe as such limits existed on December 1, 1937.

"(b) 'Commission' means the Foreign Claims Settlement Commission of the United States established pursuant to Reorganization Plan Numbered 1 of 1954 (68 Stat. 1279).

"(c) 'National of the United States' means (1) a natural person who is a citizen of the United States, (2) a natural person who, though not a citizen of the United States, owes permanent allegiance to the United States, and (3) a corporation, partnership, unincorporated body, or other entity, organized under the laws of the United States, or of any State, the Commonwealth of Puerto Rico, the District of Columbia, or any possession of the United States and in which more than 50 per centum of the outstanding capital stock or other proprietary or similar interest is owned, directly or indirectly, by persons referred to in clauses (1) and (2) of this subsection. It does not include aliens.

5 USC 1332-15  
note.  
3 CFR 1954-  
1958 Comp.

"(d) 'Property' means real property and such items of tangible personalty as can be identified and evaluated.

## "CLAIMS AUTHORIZED

"SEC. 202. The Commission is directed to receive and to determine according to the provisions of this title the validity and amount of claims of nationals of the United States for—

"(a) loss or destruction of, or physical damage to, property located in Albania, Austria, Czechoslovakia, the Free Territory of Danzig, Estonia, Germany, Greece, Latvia, Lithuania, Poland, or Yugoslavia, or in territory which was part of Hungary or Rumania on December 1, 1937, but which was not included in such countries on September 15, 1947, which loss, destruction,



3 UST 3172.

60 Stat. 128.  
50 USC app.  
1751 note.

or physical damage occurred during the period beginning September 1, 1939, and ending May 8, 1945, or which occurred in the period beginning July 1, 1937, and ending September 2, 1945, to property in territory occupied or attacked by the Imperial Japanese military forces (including territory to which Japan has renounced all right, title, and claim under article 2 of the Treaty of Peace Between the Allied Powers and Japan) except the island of Guam: *Provided*, That claims for loss, destruction, or damage occurring in the Commonwealth of the Philippines shall not be allowed except on behalf of nationals of the United States who have received no payment, and certify under oath or affirmation that they have received no payment, on account of the same loss, destruction, or damage under the Philippine Rehabilitation Act of 1946, whether or not claim was filed thereunder: *Provided further*, That such loss, destruction, or damage must have occurred, as a direct consequence of (1) military operations of war or (2) special measures directed against property in such countries or territories during the respective periods specified, because of the enemy or alleged enemy character of the owner, which property was owned, directly or indirectly, by a national of the United States at the time of such loss, damage or destruction;

“(b) damage to, or loss or destruction of, ships or ship cargoes directly or indirectly owned by a national of the United States at the time such damage, loss, or destruction occurred, which was a direct consequence of military action by Germany or Japan during the period beginning September 1, 1939, and ending September 2, 1945; no award shall be made under this subsection in favor of any insurer or reinsurer as assignee or otherwise as successor in interest to the right of the insured;

“(c) net losses under war-risk insurance or reinsurance policies or contracts, incurred in the settlement of claims for insured losses of ships directly or indirectly owned by a national of the United States at the time of the loss, damage, or destruction of such ships and at the time of the settlement of such claims, which insured losses were a direct consequence of military action by Germany or Japan during the period beginning September 1, 1939, and ending September 2, 1945; such net losses shall be determined by deducting from the aggregate of all payments made in the settlement of such insured losses the aggregate of the net amounts received by any such insurance companies on all policies or contracts of war-risk insurance or reinsurance on ships under which the insured was a national of the United States, after deducting expenses; and

“(d) loss or damage on account of—

“(1) the death of any person who, being then a civilian national of the United States and a passenger on any vessel engaged in commerce on the high seas, died or was killed as a result of military action by Germany or Japan which occurred during the period beginning September 1, 1939, and ending December 11, 1941; awards under this paragraph shall be made only to or for the benefit of the following persons in the order of priority named:

“(A) widow or husband if there is no child or children of the deceased;

“(B) widow or husband and child or children of the deceased, one-half to the widow or husband and the other half to the child or children of the deceased in equal shares;

“(C) child or children of the deceased (in equal shares) if there is no widow or husband; and

“(D) parents of the deceased (in equal shares) if there is no widow, husband, or child;

“(2) injury or permanent disability sustained by any person, who being then a civilian national of the United States and a passenger on any vessel engaged in commerce on the high seas, was injured or permanently disabled as a result of military action by Germany or Japan which occurred during the period beginning September 1, 1939, and ending December 11, 1941; awards under this paragraph shall be payable solely to the person so injured or disabled;

“(3) the loss or destruction, as a result of such action, of property on such vessel, as determined by the Commission to be reasonable, useful, necessary, or proper under the circumstances, which property was owned by any civilian national of the United States who was then a passenger on such vessel; and in the case of the death of any person suffering such loss, awards under this paragraph shall be made only to or for the benefit of the persons designated in paragraph (1) of this subsection and in the order of priority named therein.

#### “TRANSFERS AND ASSIGNMENTS

“SEC. 203. The transfer or assignment for value of any property forming the subject matter of a claim under subsection (a) or (b) of section 202 subsequent to its damage, loss, or destruction shall not operate to extinguish any claim of the transferor otherwise compensable under either of such subsections. If a claim which could otherwise be allowed under subsection (a) or (b) of section 202 has been assigned for value prior to the enactment of this title, the assignee shall be the party entitled to claim thereunder.

#### “NATIONALITY OF CLAIMANTS

“SEC. 204. No claim shall be allowed under subsection (a), (b), or (c) of section 202 of this title unless the property upon which it is based was owned by a national or nationals of the United States on the date of loss, damage, or destruction and unless the claim was owned by a national or nationals of the United States continuously thereafter until the date of filing with the Commission pursuant to this title. Where any person who lost United States citizenship solely by reason of marriage to a citizen or subject of a foreign country reacquired such citizenship before the date of enactment of this title, then if such individual, but for such marriage would have been a national of the United States at all times on and after the date of such loss, damage, or destruction until the filing of the claim, such individual shall be treated for all purposes of this title as having been a national of the United States at all such times.

#### “CLAIMS OF STOCKHOLDERS

“SEC. 205. (a) A claim under section 202 of this title based upon an ownership interest in any corporation, association, or other entity which is a national of the United States shall be denied.

“(b) A claim under section 202 of this title, based upon a direct ownership interest in a corporation, association, or other entity which suffered a loss within the meaning of said section, shall be allowed, subject to other provisions of this title, if such corporation, association, or other entity on the date of the loss was not a national of the

United States, without regard to the per centum of ownership vested in the claimant in any such claim.

“(c) A claim under section 202 of this title, based upon an indirect ownership interest in a corporation, association, or other entity which suffered a loss within the meaning of said section, shall be allowed, subject to other provisions of this title, only if at least 25 per centum of the entire ownership interest thereof at the time of such loss was vested in nationals of the United States.

“(d) Any award on a claim under subsection (b) or (c) of this section shall be calculated on the basis of the total loss suffered by such corporation, association, or other entity, and shall bear the same proportion to such loss as the ownership interest of the claimant bears to the entire ownership interest thereof.

#### “DEDUCTIONS IN MAKING AWARDS

“SEC. 206. (a) In determining the amount of any award there shall be deducted all amounts the claimant has received on account of the same loss or losses with respect to which an award is made under this title.

“(b) Each claim in excess of \$10,000 filed under this title by a corporation shall include a statement under oath disclosing the aggregate amount of Federal tax benefits derived by such corporation in any prior taxable year or years resulting from any deduction or deductions claimed for the loss or losses with respect to which such claim is filed. In determining the amount of any award where the allowable loss exceeds \$10,000 there shall be deducted an amount equal to the aggregate amount of Federal tax benefits so derived by the claimant. For the purposes of this subsection, such Federal tax benefits shall be the aggregate of the amounts by which the claimant's taxes for such year or years under chapters 1, 2A, 2B, 2D, and 2E of the Internal Revenue Code of 1939, or subtitle A of the Internal Revenue Code of 1954 were decreased with respect to such loss or losses. Any payments made on an award reduced by reason of this subsection shall be exempt from Federal income taxes.

53 Stat. 4.  
68A Stat. 4.  
26 USC 1 *et seq.*

#### “CONSOLIDATED AWARDS

“SEC. 207. With respect to any claim which, at the time of the award, is vested in persons other than the person by whom the loss was sustained, the Commission may issue a consolidated award in favor of all claimants then entitled thereto, which award shall indicate the respective interests of such claimant therein; and all such claimants shall participate, in proportion to their indicated interests, in the payments authorized by this title in all respects as if the award had been in favor of a single person.

#### “CERTAIN AWARDS PROHIBITED

“SEC. 208. No award shall be made under this title to or for the benefit of (1) any person who has been convicted of a violation of any provision of chapter 115, title 18 of the United States Code, or of any other crime involving disloyalty to the United States, or (2) any claimant whose claim under this title is within the scope of title III of the International Claims Settlement Act of 1949, as amended (69 Stat. 570), except any claimant whose award under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended, is recertified pursuant to subsection (b) of section 209 of this title.

62 Stat. 807.  
18 USC 2381  
*et seq.*

64 Stat. 12.  
22 USC 1621  
note.  
22 USC 1641b.

“CERTIFICATION OF AWARDS

“SEC. 209. (a) The Commission shall certify to the Secretary of the Treasury, in terms of United States currency, for payment out of the War Claims Fund each award made pursuant to section 202.

“(b) The Commission shall recertify to the Secretary of the Treasury, in terms of United States currency, for payment out of the War Claims Fund, awards heretofore made with respect to claims against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended. Nothing contained in this subsection shall be construed as authorizing the filing of new claims against Hungary.

22 USC 1641b.

“CLAIM FILING PERIOD

“SEC. 210. Within sixty days after the enactment of this title or of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later, the Commission shall give public notice by publication in the Federal Register of the time when, and the limit of time within which claims may be filed, which limit shall not be more than eighteen months after such publication.

Publication  
in F. R.

“CLAIMS SETTLEMENT PERIOD

“SEC. 211. The Commission shall complete its affairs in connection with the settlement of claims pursuant to this title not later than four years following the enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title.

“NOTIFICATION TO CLAIMANTS

“SEC. 212. Each award or denial of a claim by the Commission, whether rendered before or after a hearing, shall include a specific statement of the facts and of the reasoning of the Commission in support of its conclusion.

“PAYMENT OF AWARDS; PRIORITIES; LIMITATIONS

“SEC. 213. (a) The Secretary of the Treasury shall pay out of the War Claims Fund on account of awards certified by the Commission pursuant to this title as follows and in the following order of priority:

“(1) Payment in full of awards made pursuant to section 202(d) (1) and (2), and thereafter of any award made pursuant to section 202(a) to any claimant certified to the Commission by the Small Business Administration as having been, on the date of loss, damage, or destruction, a small business concern within the meaning now set forth in the Small Business Act, as amended.

“(2) Thereafter, payments from time to time on account of the other awards made pursuant to section 202 in an amount which shall be the same for each award or in the amount of the award, whichever is less. The total payment made pursuant to this paragraph on account of any award shall not exceed \$10,000.

“(3) Thereafter, payments from time to time on account of the unpaid balance of each remaining award made pursuant to section 202 or recertified pursuant to subsection (b) of section 209 which shall bear to such unpaid balance the same proportion as the total amount in the War Claims Fund and available for distribution at the time such payments are made bears to the aggregate unpaid balances of all such awards. No payment made pursuant to this paragraph on

72 Stat. 384.  
15 USC 631  
note.

22 USC 1641i.

22 USC 1641b.

Regulations.

account of any award shall exceed the unpaid balance of such award. Payments heretofore made under section 310 of title III of the International Claims Settlement Act of 1949, as amended, on awards made against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended, and recertified under subsection (b) of section 209, shall be considered as payments under this paragraph and no payment shall be made on any recertified award until the percentage of distribution on awards made under section 202 exceeds the corresponding percentage of distribution on such recertified award: *Provided*, That no payment made on awards recertified under subsection (b) of section 209 shall exceed 40 per centum of the amount of the award recertified.

“(b) Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury shall prescribe.

“(c) For the purpose of making any such payments, other than under section 213(a)(1), an ‘award’ shall be deemed to mean the aggregate of all awards certified for payment in favor of the same claimant.

“(d) If any person to whom any payment is to be made pursuant to this title is deceased or is under a legal disability, payment shall be made to his legal representative, except that if any payment to be made is not over \$1,000 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Comptroller General to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates.

“(e) Payment on account of any award pursuant to this title shall not, unless such payment is for the full amount of the award, extinguish any rights against any foreign government for the unpaid balance of the award.

“(f) Payments made under this section on account of any award for loss, damage, or destruction occurring in the Commonwealth of the Philippines shall not exceed the amount paid on account of awards in the same amount under the Philippine Rehabilitation Act of 1946.

60 Stat. 128.  
50 USC app.  
1751 note.

#### “FEES OF ATTORNEYS AND AGENTS

“SEC. 214. No remuneration on account of services rendered on behalf of any claimant in connection with any claim filed with the Commission under this title shall exceed 10 per centum (or such lesser per centum as may be fixed by the Commission with respect to any class of claims) of the total amount paid pursuant to any award certified under the provisions of this title on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives, on account of services so rendered, any remuneration in excess of the maximum permitted by this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$5,000 or imprisoned not more than twelve months, or both.

#### “APPLICATION OF OTHER LAWS

“SEC. 215. To the extent they are not inconsistent with the provisions of this title, the following provisions of title I of this Act and title I of the International Claims Settlement Act of 1949, as amended, shall apply to this title: The first sentence of subsection (b) of section 2, all of subsection (c) of section 2 and section 11 of title I of this Act, and subsections (c), (d), (e), and (f) of section 7 of the International Claims Settlement Act of 1949, as amended.

22 USC 1621  
note.

50 USC app.  
2001, 2010.  
22 USC 1626.

“TRANSFER OF RECORDS

“SEC. 216. The Secretary of State is authorized and directed to transfer or otherwise make available to the Commission such records and documents relating to claims authorized by this title as may be required by the Commission in carrying out its functions under this title.

“ADMINISTRATIVE EXPENSES

“SEC. 217. There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated such sums as may be necessary (but not to exceed the total covered into the Treasury to the credit of miscellaneous receipts under section 39 subsection (d) of the Trading With the Enemy Act) to enable the Commission and the Treasury Department to pay their administrative expenses in carrying out their respective functions under this title.”

62 Stat. 1246.  
50 USC app. 39.

SEC. 104. (a) Section 2 of the War Claims Act of 1948, as amended, is amended by adding at the end thereof the following:

50 USC app.  
2001.

“(d) The term of office of members of the Foreign Claims Settlement Commission holding office on the date of enactment of this subsection shall expire at the end of the one-year period which begins on such date, but during such one-year period each such member shall continue to hold office at the pleasure of the President. The President shall thereafter appoint, by and with the advice and consent of the Senate, three members of the Commission. The term of office of each member of the Commission shall be three years, except that of the members first appointed after the end of the one-year period which begins on the date of enactment of this subsection, one shall be appointed for a term of three years, one for a term of two years, and one for a term of one year.”

Commission  
members, terms  
of office.

Appointment.

(b) Nothing in this section shall be construed to preclude the reappointment as a member of the Foreign Claims Settlement Commission of any person holding office as a member of such Commission on the date of enactment of this Act.

## TITLE II

SEC. 201. That the Trading With the Enemy Act, as amended, is amended as follows:

SEC. 202. Section 39 of the Trading With the Enemy Act is amended by adding at the end thereof the following new subsection:

50 USC app. 39.

“(d) The Attorney General is authorized and directed to cover into the Treasury from time to time for deposit in the War Claims Fund such sums from property vested in him or transferred to him under this Act as he shall determine in his discretion not to be required to fulfill obligations imposed under this Act or any other provision of law, and not to be the subject matter of any judicial action or proceeding. There shall be deducted from each such deposit 5 per centum thereof for expenses incurred by the Foreign Claims Settlement Commission and by the Treasury Department in the administration of title II of the War Claims Act of 1948. Such deductions shall be made before any payment is made pursuant to such title. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts.”

Ante, p. 1107.

SEC. 203. Section 9(a) is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: “*Provided further*, That upon a determination made by the President, in time of war or during any national emergency declared by the President, that the interest and welfare of the United States

50 USC app. 9.

Notice of sale.  
Publication  
in F. R.

require the sale of any property or interest or any part thereof claimed in any suit filed under this subsection and pending on or after the date of enactment of this proviso the Alien Property Custodian or any successor officer, or agency may sell such property or interest or part thereof, in conformity with law applicable to sales of property by him, at any time prior to the entry of final judgment in such suit. No such sale shall be made until thirty days have passed after the publication of notice in the Federal Register of the intention to sell. The net proceeds of any such sale shall be deposited in a special account established in the Treasury, and shall be held in trust by the Secretary of the Treasury pending the entry of final judgment in such suit. Any recovery of any claimant in any such suit in respect of the property or interest or part thereof so sold shall be satisfied from the net proceeds of such sale unless such claimant, within sixty days after receipt of notice of the amount of net proceeds of sale serves upon the Alien Property Custodian, or any successor officer or agency, and files with the court an election to waive all claims to the net proceeds, or any part thereof, and to claim just compensation instead. If the court finds that the claimant has established an interest, right, or title in any property in respect of which such an election has been served and filed, it shall proceed to determine the amount which will constitute just compensation for such interest, right, or title, and shall order payment to the claimant of the amount so determined. An order for the payment of just compensation hereunder shall be a judgment against the United States and shall be payable first from the net proceeds of the sale in an amount not to exceed the amount the claimant would have received had he elected to accept his proportionate part of the net proceeds of the sale, and the balance, if any, shall be payable in the same manner as are judgments in cases arising under section 1346 of title 28, United States Code. The Alien Property Custodian or any successor officer or agency shall, immediately upon the entry of final judgment, notify the Secretary of the Treasury of the determination by final judgment of the claimant's interest and right to the proportionate part of the net proceeds from the sale, and the final determination by judgment of the amount of just compensation in the event the claimant has elected to recover just compensation for the interest in the property he claimed."

50 USC app. 32.

SEC. 204. (a) Section 32(h) is amended by striking out all that follows the first sentence in the first paragraph down through the third paragraph, and inserting in lieu thereof the following: "In the case of any organization not so designated before the date of enactment of this amendment, such organization may be so designated only if it applies for such designation within three months after such date of enactment.

"The President, or such officer as he may designate, shall, before the expiration of the one-year period which begins on the date of enactment of this amendment, pay out of the War Claims Fund to organizations designated before or after the date of enactment of this amendment pursuant to this subsection the sum of \$500,000. If there is more than one such designated organization, such sum shall be allocated among such organizations in the proportions in which the proceeds of heirless property were distributed, pursuant to agreements to which the United States was a party, by the Intergovernmental Committee for Refugees and successor organizations thereto. Acceptance of payment pursuant to this subsection by any such organization shall constitute a full and complete discharge of all claims filed by such organization pursuant to this section, as it existed before the date of enactment of this amendment.

"No payment may be made to any organization designated under this section unless it has given firm and responsible assurances approved by the President that (1) the payment will be used on the basis of need in the rehabilitation and settlement of persons in the United States who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and (D) of subsection (a) (2) of this section; (2) it will make to the President, with a copy to be furnished to the Congress, such reports (including a detailed annual report on the use of the payment made to it) and permit such examination of its books as the President, or such officer or agency as he may designate, may from time to time require; and (3) it will not use any part of such payment for legal fees, salaries, or other administrative expenses connected with the filing of claims for such payment or for the recovery of any property or interest under this section."

(b) The first sentence of section 33 of such Act is amended by striking out all that follows "whichever is later" and inserting a period.

50 USC app. 33.

(c) Section 39 of such Act is amended by adding at the end of subsection (b) the following new sentence: "Immediately upon the enactment of this sentence, the Attorney General shall cover into the Treasury of the United States, for deposit into the War Claims Fund, from property vested in or transferred to him under this Act, the sum of \$500,000 to make payments authorized under section 32(h) of this Act."

50 USC app. 39.

SEC. 205. At the end of the Act, as amended, add the following section:

50 USC app. 32.

"SEC. 40. (a) Subject to the provisions of subsection (b) hereof, all rights and interests of individuals in estates, trusts, insurance policies, annuities, remainders, pensions, workmen's compensation and veterans' benefits vested under this Act after December 17, 1941, which have not become payable or deliverable to or have not vested in possession in the Attorney General prior to December 31, 1961, are hereby divested: *Provided*, That the provisions of this section shall not affect the right of the Attorney General to retain all such property rights and interests and to collect all income which is payable to or vested in possession in him prior to December 31, 1961.

"(b) Nothing contained in this section shall divest or require the divestment of any portion of any such interest the beneficial owner of which is a natural person who has been convicted personally and by name by a court of competent jurisdiction of murder, ill treatment, or deportation for slave labor of prisoners of war, political opponents, hostages, or civilian population in occupied territories, or of murder or ill treatment of military or naval persons, or of plunder or wanton destruction without justified military necessity.

"(c) At the earliest practicable time after the effective date of this Act, the Attorney General shall transmit to the lawful owner or custodian of any interest divested by this section written notice of such divestment."

SEC. 206. At the end of the Act, as amended, add the following new section:

"SEC. 41. (a) Notwithstanding any statute of limitation, lapse of time, any prior decision by any court of the United States, or any compromise, release or assignment to the Alien Property Custodian, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and report to the Congress concerning the claims against the United States for the proceeds received by the United States from the sale of the property vested under the provisions of the Trading With the Enemy Act by vesting order num-

50 USC app. 1.



bered 33 relating to certificate numbers 104 to 121, inclusive, 125, 126, 128 to 134, inclusive, and 137 to 139, inclusive. Proceedings with respect to such claims may be instituted hereunder not later than one year after the date of the enactment of this Act.

“(b) As used in this section the word ‘copyrights’ includes copyrights, claims of copyrights, rights to copyrights, and rights to copyright renewals.

“(c) All copyrights vested in the Alien Property Custodian or the Attorney General under the provisions of this Act subsequent to December 17, 1941, which have not been returned or otherwise disposed of under this Act, except copyrights vested by vesting orders 128 (7 F.R. 7578), 13111 (14 F.R. 1730), 14349 (15 F.R. 1575), 17366 (16 F.R. 2483), and 17952 (16 F.R. 6162) and copyrights vested with respect to the motion picture listed last in exhibit A of vesting order 11803, as amended (13 F.R. 5167, 15 F.R. 1626), are hereby divested as a matter of grace, effective the ninety-first day after the date of enactment of this section, and the persons entitled thereto shall on that day succeed to the rights, privileges, and obligations arising out of such copyrights, subject, however, to—

“(1) the rights of licensees under licenses issued by the Alien Property Custodian or the Attorney General in respect of such copyrights;

“(2) the rights of assignees under assignments by the Alien Property Custodian or the Attorney General of interests in such licenses; and

“(3) the right retained by the United States to reproduce, for its own use, or exhibit any divested copyrighted motion picture films.

The rights and interests remaining in the Attorney General under licenses issued by him or by the Alien Property Custodian in respect to copyrights divested hereunder are hereby transferred, effective the day of divestment, to the persons entitled to such copyrights: *Provided*, That all unpaid royalties or other income accrued in favor of the Attorney General under such licenses prior to the day of divestment shall be paid by the licensees to the Attorney General.

“(d) All rights or interests vested in the Alien Property Custodian or the Attorney General under the provisions of this Act subsequent to December 17, 1941, arising out of prevesting contracts entered into with respect to copyrights, except—

“(1) royalties or other income received by or accrued in favor of the Alien Property Custodian or the Attorney General under such contracts;

“(2) rights or interests which have been returned or otherwise disposed of under this Act; and

“(3) rights or interests vested by vesting orders 128 (7 F.R. 7578), 13111 (14 F.R. 1730), 14349 (15 F.R. 1575), and 17366 (16 F.R. 2483),

are hereby divested as a matter of grace, effective the ninety-first day after the date of enactment of this section, and the persons entitled to such rights or interests shall succeed thereto, subject to the right of the Attorney General to collect and receive all unpaid royalties or other income accrued in his favor under such prevesting contracts prior to the day of divestment.

“(e) Nothing in this section shall be construed to transfer to a person entitled to a copyright divested hereunder the right of the Attorney General to sue for the infringement of such copyright during the period between (1) the vesting thereof or the vesting of rights and interests in a contract entered into with respect thereto, and (2) the day of divestment. The right to sue for infringement shall remain in the Attorney General.”

## TITLE III

SEC. 301. If any provision of this Act, or the application thereof to any person or circumstances, shall be held invalid, the remainder of this Act, or the application of such provisions to other persons or circumstances, shall not be affected.

Approved October 22, 1962.

## Public Law 87-847

## AN ACT

To amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for a Federal telecommunications fund.

October 23, 1962  
[H. R. 11899]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title I of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, is hereby amended by adding a new section to read as follows:

Federal telecommunications fund.  
5 USC 630g.

"SEC. 110. There is hereby authorized to be established on the books of the Treasury, a Federal telecommunications fund, which shall be available without fiscal year limitation for expenses, including personal services, other costs, and the procurement by lease or purchase of equipment and operating facilities (including cryptographic devices) necessary for the operation of a Federal telecommunications system, to provide local and long distance voice, teletype, data, facsimile, and other communication services. There are authorized to be appropriated to said fund such sums as may be required which, together with the value, as determined by the Administrator, of supplies and equipment from time to time transferred to the Administrator under authority of section 205 (f), less any liabilities assumed, shall constitute the capital of the fund: *Provided*, That said fund shall be credited with (1) advances and reimbursements from available appropriations and funds of any agency (including the General Services Administration), organization, or persons for telecommunication services rendered and facilities made available thereto, at rates determined by the Administrator to approximate the costs thereof met by the fund (including depreciation of equipment, provision for accrued leave, and where appropriate, for terminal liability charges and for amortization of installation costs, but excluding, in the determination of rates prior to the fiscal year 1966, such direct operating expenses as may be directly appropriated for, which expenses may be charged to the fund and covered by advances or reimbursements from such direct appropriations) and (2) refunds or recoveries resulting from operations of the fund, including the net proceeds of disposal of excess or surplus personal property and receipts from carriers and others for loss of or damage to property: *Provided further*, That following the close of each fiscal year any net income, after making provision for prior year losses, if any, shall be transferred to the Treasury of the United States as miscellaneous receipts."

63 Stat. 389.  
40 USC 486.

Approved October 23, 1962.

## Public Law 87-848

## AN ACT

October 23, 1962  
[H. R. 7781]

To authorize the Administrator of General Services to convey by quitclaim deed a parcel of land in Prince Georges County, Maryland, to the Silver Hill Voluntary Fire Department and Rescue Squad.

Lands.  
Maryland.  
Silver Hill Vol-  
untary Fire De-  
partment.  
Conveyance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Administrator of General Services is authorized to convey to the Silver Hill Voluntary Fire Department and Rescue Squad, a body corporate of the State of Maryland, within a period of two years following the date of enactment of this Act, by quitclaim deed, and upon terms and conditions herein provided as well as others the Administrator may prescribe, a tract of land adjacent to Silver Hill Road, in Prince Georges County, Maryland, which shall include the site of the fire station now maintained by the Silver Hill Voluntary Fire Department and Rescue Squad, of approximately twenty-five thousand square feet, but otherwise of shape and dimension as the Administrator may determine: *Provided*, That the instrument of conveyance authorized by this Act shall provide that upon determination by the Administrator of General Services that the Silver Hill Voluntary Fire Department and Rescue Squad or its successor has ceased at any time within twenty years after the conveyance to use the property either for maintaining a fire station or to provide fire protection services for the facilities of the Federal Government in the adjacent community without cost to the United States, all right, title, and interest to the property shall revert to the United States in the then existing condition of such property without payment of compensation by the United States, subject to mortgages and liens then outstanding resulting from financial arrangements authorized by the Administrator and made for the purpose of improving the property.

Iowa.  
Amendment of  
conveyance.

SEC. 2. That the first paragraph of section 1 of the Act entitled "An Act to authorize the Secretary of Agriculture to sell and convey certain lands in the State of Iowa", approved October 4, 1961 (75 Stat. 805), is amended and supplemented to read as follows: "That the Secretary of Agriculture is authorized to sell and convey to the State of Iowa, by quitclaim deed, at fair market value as determined by him, subject to all outstanding rights, and subject to the condition that the property shall be used for public purposes, all the right, title, and interest of the United States to those certain tracts of land containing approximately 4,649 acres of land, more or less, located in Van Buren, Lee, Appanoose, and Davis Counties, Iowa, in:"

Minnesota.  
Superior Na-  
tional Forest.  
Exchange.

SEC. 3. (a) That, upon the application by the State of Minnesota and the agreement by the State to exchange for such lands State-owned lands in the Superior National Forest, the Secretary of Agriculture is authorized to acquire not to exceed one thousand acres in sections 3, 4, 9, and 10, township 121 north, range 26 west, in Wright County, Minnesota. Upon such acquisition the Secretary of Agriculture is authorized to exchange such lands for State-owned lands in the Superior National Forest suitable for administration as a part thereof and having a value not less than that of the lands in Wright County to be exchanged therefor as determined by the Secretary of Agriculture.

Appropriation.

(b) There is hereby authorized to be appropriated such sums as may be needed to enable the Secretary of Agriculture to carry out the purposes of this section.

Approved October 23, 1962.

## Public Law 87-849

## AN ACT

To strengthen the criminal laws relating to bribery, graft, and conflicts of interest, and for other purposes.

October 23, 1962  
[H. R. 8140]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) so much of chapter 11 of title 18 of the United States Code as precedes section 214 is amended to read as follows:

Bribery, graft,  
and conflicts  
of interest.  
18 USC 201  
et seq.

## “CHAPTER 11—BRIBERY, GRAFT, AND CONFLICTS OF INTEREST

“Sec.

“201. Bribery of public officials and witnesses.

“202. Definitions.

“203. Compensation of Members of Congress, officers and others, in matters affecting the Government.

“204. Practice in Court of Claims by Members of Congress.

“205. Activities of officers and employees in claims against and other matters affecting the Government.

“206. Exemption of retired officers of the uniformed services.

“207. Disqualification of former officers and employees in matters connected with former duties or official responsibilities; disqualification of partners.

“208. Acts affecting a personal financial interest.

“209. Salary of Government officials and employees payable only by United States.

“210. Offer to procure appointive public office.

“211. Acceptance or solicitation to obtain appointive public office.

“212. Offer of loan or gratuity to bank examiner.

“213. Acceptance of loan or gratuity by bank examiner.

“214. Offer for procurement of Federal Reserve bank loan and discount of commercial paper.

“215. Receipt of commissions or gifts for procuring loans.

“216. Receipt or charge of commissions or gifts for farm loan, land bank, or small business transactions.

“217. Acceptance of consideration for adjustment of farm indebtedness.

“218. Voiding transactions in violation of chapter; recovery by the United States.

### “§ 201. Bribery of public officials and witnesses

“(a) For the purpose of this section:

“‘public official’ means Member of Congress, or Resident Commissioner, either before or after he has qualified, or an officer or employee or person acting for or on behalf of the United States, or any department, agency or branch of Government thereof, including the District of Columbia, in any official function, under or by authority of any such department, agency, or branch of Government, or a juror; and

Definitions.

“‘person who has been selected to be a public official’ means any person who has been nominated or appointed to be a public official, or has been officially informed that he will be so nominated or appointed; and

“‘official act’ means any decision or action on any question, matter, cause, suit, proceeding or controversy, which may at any time be pending, or which may by law be brought before any public official, in his official capacity, or in his place of trust or profit.

“(b) Whoever, directly or indirectly, corruptly gives, offers or promises anything of value to any public official or person who has been selected to be a public official, or offers or promises any public official or any person who has been selected to be a public official to give anything of value to any other person or entity, with intent—

“(1) to influence any official act; or

“(2) to influence such public official or person who has been selected to be a public official to commit or aid in committing, or collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

"(3) to induce such public official or such person who has been selected to be a public official to do or omit to do any act in violation of his lawful duty; or

"(c) Whoever, being a public official or person selected to be a public official, directly or indirectly, corruptly asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself or for any other person or entity, in return for:

"(1) being influenced in his performance of any official act; or

"(2) being influenced to commit or aid in committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

"(3) being induced to do or omit to do any act in violation of his official duty; or

"(d) Whoever, directly or indirectly, corruptly gives, offers, or promises anything of value to any person, or offers or promises such person to give anything of value to any other person or entity, with intent to influence the testimony under oath or affirmation of such first-mentioned person as a witness upon a trial, hearing, or other proceeding, before any court, any committee of either House or both Houses of Congress, or any agency, commission, or officer authorized by the laws of the United States to hear evidence or take testimony, or with intent to influence such person to absent himself therefrom; or

"(e) Whoever, directly or indirectly, corruptly asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself or for any other person or entity in return for being influenced in his testimony under oath or affirmation as a witness upon any such trial, hearing, or other proceeding, or in return for absenting himself therefrom—

"Shall be fined not more than \$20,000 or three times the monetary equivalent of the thing of value, whichever is greater, or imprisoned for not more than fifteen years, or both, and may be disqualified from holding any office of honor, trust, or profit under the United States.

"(f) Whoever, otherwise than as provided by law for the proper discharge of official duty, directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official, former public official, or person selected to be a public official; or

"(g) Whoever, being a public official, former public official, or person selected to be a public official, otherwise than as provided by law for the proper discharge of official duty, directly or indirectly asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself for or because of any official act performed or to be performed by him; or

"(h) Whoever, directly or indirectly, gives, offers, or promises anything of value to any person, for or because of the testimony under oath or affirmation given or to be given by such person as a witness upon a trial, hearing, or other proceeding, before any court, any committee of either House or both Houses of Congress, or any agency, commission, or officer authorized by the laws of the United States to hear evidence or take testimony, or for or because of his absence therefrom; or

"(i) Whoever, directly or indirectly, asks, demands, exacts, solicits, seeks, accepts, receives, or agrees to receive anything of value for himself for or because of the testimony under oath or affirmation given or to be given by him as a witness upon any such trial, hearing, or other proceeding, or for or because of his absence therefrom—

"Shall be fined not more than \$10,000 or imprisoned for not more than two years, or both.

“(j) Subsections (d), (e), (h), and (i) shall not be construed to prohibit the payment or receipt of witness fees provided by law, or the payment, by the party upon whose behalf a witness is called and receipt by a witness, of the reasonable cost of travel and subsistence incurred and the reasonable value of time lost in attendance at any such trial, hearing, or proceeding, or, in the case of expert witnesses, involving a technical or professional opinion, a reasonable fee for time spent in the preparation of such opinion, and in appearing and testifying.

“(k) The offenses and penalties prescribed in this section are separate from and in addition to those prescribed in sections 1503, 1504, and 1505 of this title.

62 Stat. 769.

### “§ 202. Definitions

“(a) For the purpose of sections 203, 205, 207, 208, and 209 of this title the term ‘special Government employee’ shall mean an officer or employee of the executive or legislative branch of the United States Government, of any independent agency of the United States or of the District of Columbia, who is retained, designated, appointed, or employed to perform, with or without compensation, for not to exceed one hundred and thirty days during any period of three hundred and sixty-five consecutive days, temporary duties either on a full-time or intermittent basis, or a part-time United States Commissioner. Notwithstanding the next preceding sentence, every person serving as a part-time local representative of a Member of Congress in the Member’s home district or State shall be classified as a special Government employee. Notwithstanding section 29 (c) and (d) of the Act of August 10, 1956 (70A Stat. 632; 5 U.S.C. 30r (c) and (d)), a Reserve officer of the Armed Forces, or an officer of the National Guard of the United States, unless otherwise an officer or employee of the United States, shall be classified as a special Government employee while on active duty solely for training. A Reserve officer of the Armed Forces or an officer of the National Guard of the United States who is voluntarily serving a period of extended active duty in excess of one hundred and thirty days shall be classified as an officer of the United States within the meaning of section 203 and sections 205 through 209 and 218. A Reserve officer of the Armed Forces or an officer of the National Guard of the United States who is serving involuntarily shall be classified as a special Government employee. The terms ‘officer or employee’ and ‘special Government employee’ as used in sections 203, 205, 207 through 209, and 218, shall not include enlisted members of the Armed Forces.

“(b) For the purposes of sections 205 and 207 of this title, the term ‘official responsibility’ means the direct administrative or operating authority, whether intermediate or final, and either exercisable alone or with others, and either personally or through subordinates, to approve, disapprove, or otherwise direct Government action.

### “§ 203. Compensation to Members of Congress, officers, and others in matters affecting the Government

“(a) Whoever, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly receives or agrees to receive, or asks, demands, solicits, or seeks, any compensation for any services rendered or to be rendered either by himself or another—

“(1) at a time when he is a Member of Congress, Member of Congress Elect, Resident Commissioner, or Resident Commissioner Elect; or

“(2) at a time when he is an officer or employee of the United States in the executive, legislative, or judicial branch of the Government, or in any agency of the United States, including the District of Columbia,

in relation to any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest, before any department, agency, court-martial, officer, or any civil, military, or naval commission, or

“(b) Whoever, knowingly, otherwise than as provided by law for the proper discharge of official duties, directly or indirectly gives, promises, or offers any compensation for any such services rendered or to be rendered at a time when the person to whom the compensation is given, promised, or offered, is or was such a Member, Commissioner, officer, or employee—

“Shall be fined not more than \$10,000 or imprisoned for not more than two years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States.

“(c) A special Government employee shall be subject to subsection (a) only in relation to a particular matter involving a specific party or parties (1) in which he has at any time participated personally and substantially as a Government employee or as a special Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or (2) which is pending in the department or agency of the Government in which he is serving: *Provided*, That clause (2) shall not apply in the case of a special Government employee who has served in such department or agency no more than sixty days during the immediately preceding period of three hundred and sixty-five consecutive days.

#### **“§ 204. Practice in Court of Claims by Members of Congress**

“Whoever, being a Member of Congress, Member of Congress Elect, Resident Commissioner, or Resident Commissioner Elect, practices in the Court of Claims, shall be fined not more than \$10,000 or imprisoned for not more than two years, or both, and shall be incapable of holding any office of honor, trust, or profit under the United States.

#### **“§ 205. Activities of officers and employees in claims against and other matters affecting the Government**

“Whoever, being an officer or employee of the United States in the executive, legislative, or judicial branch of the Government or in any agency of the United States, including the District of Columbia, otherwise than in the proper discharge of his official duties—

“(1) acts as agent or attorney for prosecuting any claim against the United States, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim, or

“(2) acts as agent or attorney for anyone before any department, agency, court, court-martial, officer, or any civil, military, or naval commission in connection with any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest—

“Shall be fined not more than \$10,000 or imprisoned for not more than two years, or both.

“A special Government employee shall be subject to the preceding paragraphs only in relation to a particular matter involving a specific party or parties (1) in which he has at any time participated personally and substantially as a Government employee or as a special Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or (2) which is pending in the department or agency of the Government in which he is serving: *Provided*, That clause (2) shall not apply in the

case of a special Government employee who has served in such department or agency no more than sixty days during the immediately preceding period of three hundred and sixty-five consecutive days.

"Nothing herein prevents an officer or employee, if not inconsistent with the faithful performance of his duties, from acting without compensation as agent or attorney for any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings.

"Nothing herein or in section 203 prevents an officer or employee, including a special Government employee, from acting, with or without compensation, as agent or attorney for his parents, spouse, child, or any person for whom, or for any estate for which, he is serving as guardian, executor, administrator, trustee, or other personal fiduciary except in those matters in which he has participated personally and substantially as a Government employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, or which are the subject of his official responsibility, provided that the Government official responsible for appointment to his position approves.

"Nothing herein or in section 203 prevents a special Government employee from acting as agent or attorney for another person in the performance of work under a grant by, or a contract with or for the benefit of, the United States provided that the head of the department or agency concerned with the grant or contract shall certify in writing that the national interest so requires.

"Such certification shall be published in the Federal Register.

"Nothing herein prevents an officer or employee from giving testimony under oath or from making statements required to be made under penalty for perjury or contempt.

Publication in  
F. R.

#### **§ 206. Exemption of retired officers of the uniformed services**

"Sections 203 and 205 of this title shall not apply to a retired officer of the uniformed services of the United States while not on active duty and not otherwise an officer or employee of the United States, or to any person specially excepted by Act of Congress.

#### **§ 207. Disqualification of former officers and employees in matters connected with former duties or official responsibilities; disqualification of partners**

"(a) Whoever, having been an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, including a special Government employee, after his employment has ceased, knowingly acts as agent or attorney for anyone other than the United States in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the United States is a party or has a direct and substantial interest and in which he participated personally and substantially as an officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, while so employed, or

"(b) Whoever, having been so employed, within one year after his employment has ceased, appears personally before any court or department or agency of the Government as agent, or attorney for, anyone other than the United States in connection with any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the United States is a party or directly and substantially interested, and which was under



his official responsibility as an officer or employee of the Government at any time within a period of one year prior to the termination of such responsibility—

"Shall be fined not more than \$10,000 or imprisoned for not more than two years, or both: *Provided*, That nothing in subsection (a) or (b) prevents a former officer or employee, including a former special Government employee, with outstanding scientific or technological qualifications from acting as attorney or agent or appearing personally in connection with a particular matter in a scientific or technological field if the head of the department or agency concerned with the matter shall make a certification in writing, published in the Federal Register, that the national interest would be served by such action or appearance by the former officer or employee.

"(c) Whoever, being a partner of an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, including a special Government employee, acts as agent or attorney for anyone other than the United States, in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the United States is a party or has a direct and substantial interest and in which such officer or employee of the Government or special Government employee participates or has participated personally and substantially as a Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or which is the subject of his official responsibility—

"Shall be fined not more than \$5,000, or imprisoned not more than one year, or both.

"A partner of a present or former officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia or of a present or former special Government employee shall as such be subject to the provisions of sections 203, 205, and 207 of this title only as expressly provided in subsection (c) of this section.

#### **§ 208. Acts affecting a personal financial interest**

"(a) Except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, including a special Government employee, participates personally and substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, partner, organization in which he is serving as officer, director, trustee, partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest—

"Shall be fined not more than \$10,000, or imprisoned not more than two years, or both.

"(b) Subsection (a) hereof shall not apply (1) if the officer or employee first advises the Government official responsible for appointment to his position of the nature and circumstances of the judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such

official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee, or (2) if, by general rule or regulation published in the Federal Register, the financial interest has been exempted from the requirements of clause (1) hereof as being too remote or too inconsequential to affect the integrity of Government officers' or employees' services.

Publication in  
F. R.

**“§ 209. Salary of Government officials and employees payable only by United States**

“(a) Whoever receives any salary, or any contribution to or supplementation of salary, as compensation for his services as an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; or

“Whoever, whether an individual, partnership, association, corporation, or other organization pays, or makes any contribution to, or in any way supplements the salary of, any such officer or employee under circumstances which would make its receipt a violation of this subsection—

“Shall be fined not more than \$5,000 or imprisoned not more than one year, or both.

“(b) Nothing herein prevents an officer or employee of the executive branch of the United States Government, or of any independent agency of the United States, or of the District of Columbia, from continuing to participate in a bona fide pension, retirement, group life, health or accident insurance, profit-sharing, stock bonus, or other employee welfare or benefit plan maintained by a former employer.

“(c) This section does not apply to a special Government employee or to an officer or employee of the Government serving without compensation, whether or not he is a special Government employee, or to any person paying, contributing to, or supplementing his salary as such.

Exception.

“(d) This section does not prohibit payment or acceptance of contributions, awards, or other expenses under the terms of the Government Employees Training Act (Public Law 85-507, 72 Stat. 327; 5 U.S.C. 2301-2319, July 7, 1958).”

(b) Sections 214 and 215 of chapter 11 of title 18 of the United States Code are respectively redesignated sections 210 and 211;

(c) Sections 216 and 223 of chapter 11 of title 18 of the United States Code are repealed;

Repeal.

(d) Sections 217, 218, 219, 220, 221, and 222 of chapter 11 of title 18 of the United States Code are respectively redesignated sections 212, 213, 214, 215, 216, and 217;

(e) Chapter 11 of title 18 of the United States Code is further amended by adding at the end thereof the following new section:

18 USC 201  
et seq.

**“§ 218. Voiding transactions in violation of chapter; recovery by the United States**

“In addition to any other remedies provided by law the President or, under regulations prescribed by him, the head of any department or agency involved, may declare void and rescind any contract, loan, grant, subsidy, license, right, permit, franchise, use, authority, privilege, benefit, certificate, ruling, decision, opinion, or rate schedule awarded, granted, paid, furnished, or published, or the performance of any service or transfer or delivery of any thing to, by or for any agency of the United States or officer or employee of the United States or person acting on behalf thereof, in relation to which there

has been a final conviction for any violation of this chapter, and the United States shall be entitled to recover in addition to any penalty prescribed by law or in a contract the amount expended or the thing transferred or delivered on its behalf, or the reasonable value thereof."

Repeal.

SEC. 2. Sections 281 and 283 (except as they may apply to retired officers of the armed forces of the United States), 282 and 284 of chapter 15 of title 18, section 434 of chapter 23 of title 18, and section 1914 of chapter 93 of title 18 of the United States Code are repealed and will, respectively, be supplanted by sections 203, 205, 204, 207, 208, and 209 of title 18 of the United States Code as set forth in section 1 of this Act. All exemptions from the provisions of sections 281, 282, 283, 284, 434, or 1914 of title 18 of the United States Code heretofore created or authorized by statute which are in force on the effective date of this Act shall, on and after that date, be deemed to be exemptions from sections 203, 204, 205, 207, 208, or 209, respectively, of title 18 of the United States Code except to the extent that they affect officers or employees of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, as to whom they are no longer applicable.

Repeal.

SEC. 3. Section 190 of the Revised Statutes (5 U.S.C. 99) is repealed.

Effective date.

SEC. 4. This Act shall take effect ninety days after the date of its enactment.

Approved October 23, 1962.

## Public Law 87-850

### AN ACT

October 23, 1962  
[H. R. 6190]

To amend title 38 of the United States Code to provide for the repair or replacement for veterans of certain prosthetic or other appliances damaged or destroyed as a result of certain accidents.

Veterans.  
Prosthetic ap-  
pliances, re-  
placement.  
38 USC 601-618.  
Ante, p. 308.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subchapter II of chapter 17 of title 38, United States Code, is amended by adding at the end thereof the following new section:

#### **"§ 619. Repair or replacement of certain prosthetic and other appliances**

"The Administrator may repair or replace any artificial limb, truss, brace, hearing aid, spectacles, or similar appliance (not including dental appliances) reasonably necessary to a veteran and belonging to him which was damaged or destroyed by a fall or other accident caused by a service-connected disability for which such veteran is in receipt of, or but for the receipt of retirement pay would be entitled to, disability compensation."

(b) The analysis of chapter 17 of title 38, United States Code, is amended by inserting immediately below

"618. Therapeutic and rehabilitative activities."

the following:

"619. Repair or replacement of certain prosthetic and other appliances."

Restriction.

SEC. 2. The amendment made by this Act shall apply only with respect to the repair or replacement of artificial limbs, trusses, braces, hearing aids, spectacles, and similar devices damaged or destroyed after the date of enactment of this Act.

Approved October 23, 1962.

## Public Law 87-851

## AN ACT

October 23, 1962  
[S. 3451]

To provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior may convey to any occupant of an unpatented mining claim which is determined by the Secretary to be invalid an interest, up to and including a fee simple, in and to an area within the claim of not more than (a) five acres or (b) the acreage actually occupied by him, whichever is less. The Secretary may make a like conveyance to any occupant of an unpatented mining claim who, after notice from a qualified officer of the United States that the claim is believed to be invalid, relinquishes to the United States all right in and to such claim which he may have under the mining laws. Any conveyance authorized by this section, however, shall be made only to a qualified applicant, as that term is defined in section 2 of this Act, who applies therefor within five years from the date of this Act and upon payment of an amount established in accordance with section 5 of this Act.

Occupants of  
unpatented mining  
claims.  
Land convey-  
ances.

As used in this section, the term "qualified officer of the United States" means the Secretary of the Interior or an employee of the Department of the Interior so designated by him: *Provided*, That the Secretary may delegate his authority to designate qualified officers to the head of any other department or agency of the United States with respect to lands within the administrative jurisdiction of that department or agency.

"Qualified  
officer of the  
U. S."

SEC. 2. For the purposes of this Act a qualified applicant is a residential occupant-owner, as of the date of enactment of this Act, of valuable improvements in an unpatented mining claim which constitute for him a principal place of residence and which he and his predecessors in interest were in possession of for not less than seven years prior to July 23, 1962.

"Qualified  
applicant."

SEC. 3. Where the lands for which application is made under section 1 of this Act have been withdrawn in aid of a function of a Federal department or agency other than the Department of the Interior, or of a State, county, municipality, water district, or other local governmental subdivision or agency, the Secretary of the Interior may convey an interest therein only with the consent of the head of the governmental unit concerned and under such terms and conditions as said head may deem necessary.

SEC. 4. (a) If the Secretary of the Interior determines that conveyance of an interest under section 1 of this Act is otherwise justified but the consent required by section 3 of this Act is not given, he may, in accordance with such procedural rules and regulations as he may prescribe, grant the applicant a right to purchase, for residential use, an interest in another tract of land, five acres or less in area, from tracts made available by him for sale under this Act (1) from the unappropriated and unreserved lands of the United States, or (2) from lands subject to classification under section 7 of the Taylor Grazing Act (48 Stat. 1272), as amended (43 U.S.C. 315f). Said right shall not be granted until arrangements satisfactory to the Secretary have been made for termination of the applicant's occupancy of his unpatented mining claim and for settlement of any liability for the unauthorized use thereof which may have been incurred and shall expire five years from the date on which it was granted unless sooner exercised. The amount to be paid for the interest shall be determined in accordance with section 5 of this Act.

Purchase of  
substitute lands.

49 Stat. 1976.

(b) Any conveyance of less than a fee made under this Act shall include provision for removal from the tract of any improvements or other property of the applicant at the close of the period for which the conveyance is made, or if it be an interest terminating on the death of the applicant, within one year thereafter.

Purchase price.  
Determination.

SEC. 5. The Secretary of the Interior, prior to any conveyance under this Act, shall determine the fair market value of the interest to be conveyed, exclusive of the value of any improvements placed on the lands involved by the applicant or his predecessors in interest. Said value shall be determined as of the date of appraisal. In establishing the purchase price to be paid by the applicant for the interest, the Secretary shall take into consideration any equities of the applicant and his predecessors in interest, including conditions of prior use and occupancy. In any event the purchase price for any interest conveyed shall not exceed its fair market value nor be less than \$5 per acre. The Secretary may, in his discretion, allow payment to be made in installments.

Occupant's  
liabilities.

SEC. 6. (a) The execution of a conveyance as authorized by section 1 of this Act shall not relieve any occupant of the land conveyed of any liability, existing on the date of said conveyance, to the United States for unauthorized use of the land in and to which an interest is conveyed.

(b) Except where a mining claim embracing land applied for under this Act by a qualified applicant was located at a time when the land included therein was withdrawn or otherwise not subject to such location, no trespass charges shall be sought or collected by the United States from any qualified applicant who has filed an application for land in the mining claim pursuant to this Act, based upon occupancy of such claim, whether residential or otherwise, for any period preceding the final administrative determination of the invalidity of the mining claim by the Secretary of the Interior or the voluntary relinquishment of the mining claim, whichever occurs earlier. Nothing contained in this Act shall be construed as creating any liability for trespass to the United States which would not exist in the absence of this Act. Relief under this section shall be limited to persons who file applications for conveyances pursuant to section 1 of this Act within five years from the date of its enactment.

Reservation of  
mineral rights.

SEC. 7. In any conveyance under this Act the mineral interests of the United States in the lands conveyed are hereby reserved for the term of the estate conveyed. Minerals locatable under the mining laws or disposable under the Act of July 31, 1947 (61 Stat. 681), as amended (30 U.S.C. 601-604), are hereby withdrawn from all forms of entry and appropriation for the term of the estate. The underlying oil, gas and other leasable minerals of the United States are hereby reserved for exploration and development purposes, but without the right of surface ingress and egress, and may be leased by the Secretary under the mineral leasing laws.

64 Stat. 571.

Disposition of  
fees, etc.

SEC. 8. Rights and privileges to qualify as an applicant under this Act shall not be assignable, but may pass through devise or descent.

SEC. 9. Payments of filing fees and survey costs, and the payments of the purchase price for patents in fee shall be disposed of by the Secretary of the Interior as are such fees, costs, and purchase prices in the disposition of public lands. All payments and fees for occupancy in conveyances of less than the fee, or for permits for life or shorter periods, shall be disposed of by the administering department or agency as are other receipts for the use of the lands involved.

Approved October 23, 1962.

## Public Law 87-852

## AN ACT

To authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes.

October 23, 1962  
[H. R. 8355]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That whenever a State or political subdivision or agency thereof or any person makes application for the grant of an easement in, over, or upon real property of the United States for a right-of-way or other purpose, the executive agency having control of such real property may grant to the applicant, on behalf of the United States, such easement as the head of such agency determines will not be adverse to the interests of the United States, subject to such reservations, exceptions, limitations, benefits, burdens, terms, or conditions, including those provided in section 2 hereof, as the head of the agency deems necessary to protect the interests of the United States. Such grant may be made without consideration, or with monetary or other consideration, including any interest in real property. In connection with the grant of such an easement, the executive agency concerned may relinquish to the State in which the affected real property is located such legislative jurisdiction as the executive agency deems necessary or desirable. Relinquishment of legislative jurisdiction under the authority of this Act may be accomplished by filing with the Governor of the State concerned a notice of relinquishment to take effect upon acceptance thereof or by proceeding in such manner as the laws applicable to such State may provide.

Real property of  
U.S.  
Authority to  
grant easements.

SEC. 2. The instrument granting any such easement may provide for termination of the easement in whole or in part if there has been—

Conditions.

- (a) a failure to comply with any term or condition of the grant, or
- (b) a nonuse of the easement for a consecutive two-year period for the purpose for which granted, or
- (c) an abandonment of the easement.

If such a provision is included, it shall require that written notice of such termination shall be given to the grantee, or its successors or assigns. The termination shall be effective as of the date of such notice.

SEC. 3. The authority conferred by this Act shall be in addition to, and shall not affect or be subject to, any other law under which an executive agency may grant easements.

SEC. 4. As used in this Act—

Definitions.

(a) The term "State" means the States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States.

(b) The term "executive agency" means any executive department or independent establishment in the executive branch of the Government, including any wholly owned Government corporation.

(c) The term "person" includes any corporation, partnership, firm, association, trust, estate, or other entity.

(d) The term "real property of the United States" excludes the public lands (including minerals, vegetative, and other resources) in the United States, including lands reserved or dedicated for national forest purposes, lands administered or supervised by the Secretary of the Interior in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, Indian-owned trust and restricted lands, and lands acquired by the United States primarily for fish and wildlife conservation purposes and administered by the Secretary of

16 USC 1 et  
seq.

the Interior, lands withdrawn from the public domain primarily under the jurisdiction of the Secretary of the Interior, and lands acquired for national forest purposes.

Approved October 23, 1962.

### Public Law 87-853

October 23, 1962  
[H. R. 555]

#### AN ACT

For the relief of Elmore County, Alabama.

Elmore County,  
Ala.  
Claims settle-  
ment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elmore County, Alabama, the sum of \$4,372.51. The payment of such sum shall be in full settlement of all the claims of Elmore County against the United States for reimbursement for one-half of the cost of certain civil defense communications equipment purchased by the county in October of 1958 at the urging of civil defense officials and in the belief that such reimbursement would be made. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Approved October 23, 1962.

### Public Law 87-854

October 23, 1962  
[H. R. 5700]

#### AN ACT

To amend the Tariff Act of 1930 to permit the designation of certain contract carriers as carriers of bonded merchandise.

Contract  
carriers.  
Designation  
as carriers  
of bonded  
merchandise.  
59 Stat. 667.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 551 of the Tariff Act of 1930, as amended (19 U.S.C., sec. 1551), is amended to read as follows:

#### **"SEC. 551. BONDING OF CARRIERS.**

"Under such regulations and subject to such terms and conditions as the Secretary of the Treasury shall prescribe—

"(1) any common carrier of merchandise owning or operating a railroad, steamship, or other transportation line or route for the transportation of merchandise in the United States,

"(2) any contract carrier authorized to operate as such by any agency of the United States, and

"(3) any freight forwarder authorized to operate as such by any agency of the United States,

upon application, may, in the discretion of the Secretary, be designated as a carrier of bonded merchandise for the final release of which from customs custody a permit has not been issued."

Approved October 23, 1962.

## Public Law 87-855

## AN ACT

To amend the Life Insurance Act of the District of Columbia to permit certain policies to be issued to members of duly organized national veterans' organizations.

October 23, 1962  
[H. R. 8563]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (a) of subsection (7) of section 10, chapter V, of the Life Insurance Act, as amended (D.C. Code, sec. 35-710), is amended by striking out "or association members," each of the two places where it appears and inserting in lieu thereof at each such place the following: "or members of the organization or the association,".

Life Insurance  
Act, D.C.,  
amendment.  
74 Stat. 315.

SEC. 2. Section 10 of chapter V of the Life Insurance Act, as amended (D.C. Code, sec. 35-710), is amended by adding at the end thereof the following new subsection:

Veterans'  
organizations.  
Eligibility for  
group insurance.

"(9) A policy issued to a duly organized national veterans' organization which has been organized and is maintained for purposes other than that of obtaining insurance, which shall be deemed the policyholder, to insure members of such organization for the benefit of persons other than the organization, or any of its officials, representatives, or agents, subject to the following requirements:

"(a) The members eligible for insurance under the policy shall be all the members of the organization, or all of any class or classes thereof determined by conditions pertaining to their membership in the organization, or both.

"(b) The premium for the policy shall be paid by the policyholder either wholly from the organization's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance, or from funds wholly contributed by the insured members specifically for their insurance. A policy on which any part or all of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least 60 per centum of the then eligible members or a minimum of four hundred members, whichever is less, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

Premiums.

"(c) The policy must cover at least twenty-five members at date of issuance.

"(d) The amounts of insurance under the policy must be based on some plan precluding individual selection either by the members, or by the organization. No policy may be issued which provides term insurance on any organization member which, together with any other term insurance under any group life insurance policy or policies, exceeds \$20,000, unless 150 per centum of the annual compensation of such person exceeds \$20,000, in which event all such term insurance shall not exceed \$40,000, or 150 per centum of such annual compensation, whichever is less."

Amounts.

Approved October 23, 1962.



## Public Law 87-856

October 23, 1962  
[H. R. 8874]

## AN ACT

To authorize certain banks to invest in corporations whose purpose is to provide clerical services for them, and for other purposes.

Bank service  
corporations.  
Stock owner-  
ship.  
Definitions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purposes of this Act—

(a) The term “Federal supervisory agency” means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Board of Directors of the Federal Deposit Insurance Corporation.

(b) The term “bank services” means services such as check and deposit sorting and posting, computation and posting of interest and other credits and charges, preparation and mailing of checks, statements, notices, and similar items, or any other clerical, bookkeeping, accounting, statistical, or similar functions performed for a bank.

(c) The term “bank service corporation” means a corporation organized to perform bank services for two or more banks, each of which owns part of the capital stock of such corporation, and at least one of which is subject to examination by a Federal supervisory agency.

(d) The term “invest” includes any advance of funds to a bank service corporation, whether by the purchase of stock, the making of a loan, or otherwise, except a payment for rent earned, goods sold and delivered, or services rendered prior to the making of such payment.

SEC. 2. (a) No limitation or prohibition otherwise imposed by any provision of Federal law exclusively relating to banks shall prevent any two or more banks from investing not more than 10 per centum of the paid-in and unimpaired capital and unimpaired surplus of each of them in a bank service corporation.

(b) If stock in a bank service corporation has been held by two banks, and one of such banks ceases to utilize the services of the corporation and ceases to hold stock in it, and leaves the other as the sole stockholding bank, the corporation may nevertheless continue to function as such and the other bank may continue to hold stock in it.

SEC. 3. Whenever a bank (referred to in this section as an “applying bank”) subject to examination by a Federal supervisory agency applies for a type of bank services for itself from a bank service corporation which supplies the same type of bank services to another bank, and the applying bank is competitive with any bank (referred to in this section as a “stockholding bank”) which holds stock in such corporation, the corporation must offer to supply such services by either—

(1) issuing stock to the applying bank and furnishing bank services to it on the same basis as to the other banks holding stock in the corporation, or

(2) furnishing bank services to the applying bank at rates no higher than necessary to fairly reflect the cost of such services, including the reasonable cost of the capital provided to the corporation by its stockholders,

at the corporation's option, unless comparable services at competitive overall cost are available to the applying bank from another source, or unless the furnishing of the services sought by the applying bank would be beyond the practical capacity of the corporation. In any action or proceeding to enforce the duty imposed by this section, or for damages for the breach thereof, the burden shall be upon the bank service corporation to show such availability.

SEC. 4. No bank service corporation may engage in any activity other than the performance of bank services for banks.

SEC. 5. (a) No bank subject to examination by a Federal supervisory agency may cause to be performed, by contract or otherwise, any bank services for itself, whether on or off its premises, unless assurances satisfactory to the agency prescribed in subsection (b) of this section are furnished to such agency by both the bank and the party performing such services that the performance thereof will be subject to regulation and examination by such agency to the same extent as if such services were being performed by the bank itself on its own premises.

(b) The assurances required by subsection (a) of this section shall be given, in the case of—

(1) a national banking association or a bank operating under the code of laws for the District of Columbia, to the Comptroller of the Currency;

(2) a bank (other than a bank described in paragraph (1)) which is a member of the Federal Reserve System, to the Board of Governors of the Federal Reserve System; and

(3) a bank (other than a bank described in paragraph (1) or (2)) whose deposits are insured by the Federal Deposit Insurance Corporation, to the Board of Directors of the Federal Deposit Insurance Corporation.

Approved October 23, 1962.

## Public Law 87-857

### AN ACT

To amend the Policemen and Firemen's Retirement and Disability Act.

October 23, 1962  
[H. R. 6836]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Policemen and Firemen's Retirement and Disability Act, as amended by the Act approved August 21, 1957 (71 Stat. 394), is amended by designating subsection (g) as subsection (g)(1) and by inserting the following paragraph at the end of such subsection:

"(2) In any case in which the proximate cause of an injury incurred or disease contracted by a member is doubtful, or is shown to be other than the performance of duty, and such injury or disease is shown to have been aggravated by the performance of duty to such an extent that the member is permanently disabled for the performance of duty, such disability shall be construed to have been incurred in the performance of duty. The member shall, upon retirement for such disability, receive an annuity computed at the rate of 2 per centum of his basic salary at the time of his retirement for each year or portion thereof of his service: *Provided*, That such annuity shall not exceed 70 per centum of his basic salary at the time of retirement, nor shall it be less than 66⅔ per centum of his basic salary at the time of retirement."

Approved October 23, 1962.

D. C. policemen  
and firemen.  
Disability re-  
tirement.  
D. C. Code 4-  
527.

## Public Law 87-858

October 23, 1962  
[H. R. 8952]

## AN ACT

To amend the provisions of the Internal Revenue Code of 1954 relating to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers excise taxes and relating to the taxation of life insurance companies, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Manufacturers  
excise taxes.

72 Stat. 1279.  
26 USC 4216.

26 USC 4061,  
4191, 4211.

**SECTION 1. CONSTRUCTIVE SALE PRICE.**

(a) **APPLICATION OF SPECIAL RULE.**—Section 4216(b)(2)(C) of the Internal Revenue Code of 1954 (relating to special rule for determining constructive sale price) is amended by inserting before “the normal method” the following: “in the case of articles upon which tax is imposed under section 4061(a) (relating to automobiles, trucks, etc.), 4191 (relating to business machines), or 4211 (relating to matches),”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply with respect to articles sold by the manufacturer, producer, or importer on or after October 1, 1962.

Contributions.

**SEC. 2. CONTRIBUTIONS TO FOUNDATIONS FOR CERTAIN STATE COLLEGES AND UNIVERSITIES.**

(a) **LIMITATION ON CONTRIBUTIONS ALLOWABLE AS DEDUCTION.**—Section 170(b)(1)(A) of the Internal Revenue Code of 1954 (relating to limitation on amount of deduction for charitable contributions by individuals) is amended by striking out “or” at the end of clause (ii), by inserting “or” at the end of clause (iii), and by inserting after clause (iii) the following new clause:

“(iv) an organization referred to in section 503(b)(3) organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a college or university which is an organization referred to in clause (ii) of this subparagraph and which is an agency or instrumentality of a State or political subdivision thereof, or which is owned or operated by a State or political subdivision thereof or by an agency or instrumentality of one or more States or political subdivisions.”.

(b) **TECHNICAL AMENDMENT.**—Section 170(b)(1)(B) of such Code is amended by striking out “any charitable contributions to the organizations described in clauses (i), (ii), and (iii)” and inserting in lieu thereof “any charitable contributions described in subparagraph (A)”.

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1960.

Life insurance  
companies.

73 Stat. 112.  
26 USC 801.

**SEC. 3. LIFE INSURANCE COMPANIES.**

(a) **VARIABLE ANNUITIES AND OTHER SEGREGATED ASSET ACCOUNTS.**—Section 801(g) of the Internal Revenue Code of 1954 (relating to variable annuities) is amended to read as follows:

“(g) **CONTRACTS WITH RESERVES BASED ON SEGREGATED ASSET ACCOUNTS.**—

“(1) **DEFINITIONS.**—

“(A) **ANNUITY CONTRACTS INCLUDE VARIABLE ANNUITY CONTRACTS.**—For purposes of this part, an ‘annuity contract’ includes a contract which provides for the payment of a variable annuity computed on the basis of recognized mortality tables and the investment experience of the company issuing the contract.

“(B) CONTRACTS WITH RESERVES BASED ON A SEGREGATED ASSET ACCOUNT.—For purposes of this part, a ‘contract with reserves based on a segregated asset account’ is a contract—

“(i) which provides for the allocation of all or part of the amounts received under the contract to an account which, pursuant to State law or regulation, is segregated from the general asset accounts of the company,

“(ii) which provides for the payment of annuities, and

“(iii) under which the amounts paid in, or the amount paid as annuities, reflect the investment return and the market value of the segregated asset account.

If a contract ceases to reflect current investment return and current market value, such contract shall not be considered as meeting the requirements of clause (iii) after such cessation.

“(2) LIFE INSURANCE RESERVES.—For purposes of subsection (b) (1) (A) of this section, the reflection of the investment return and the market value of the segregated asset account shall be considered an assumed rate of interest.

“(3) SEPARATE ACCOUNTING.—For purposes of this part, a life insurance company which issues contracts with reserves based on segregated asset accounts shall separately account for the various income, exclusion, deduction, asset, reserve, and other liability items properly attributable to such segregated asset accounts. For such items as are not accounted for directly, separate accounting shall be made—

“(A) in accordance with the method regularly employed by such company, if such method is reasonable, and

“(B) in all other cases, in accordance with regulations prescribed by the Secretary or his delegate.

“(4) INVESTMENT YIELD.—

“(A) IN GENERAL.—For purposes of this part, the policy and other contract liability requirements, and the life insurance company’s share of investment yield, shall be separately computed—

“(i) with respect to the items separately accounted for in accordance with paragraph (3), and

“(ii) excluding the items taken into account under clause (i).

“(B) CAPITAL GAINS AND LOSSES.—If, without regard to subparagraph (A), the net short-term capital gain exceeds the net long-term capital loss, such excess shall be allocated between clauses (i) and (ii) of subparagraph (A) in proportion to the respective contributions to such excess of the items taken into account under each such clause.

“(5) POLICY AND OTHER CONTRACT LIABILITY REQUIREMENTS.—For purposes of this part—

“(A) with respect to life insurance reserves based on segregated asset accounts, the adjusted reserves rate and the current earnings rate for purposes of section 805(b), and the rate of interest assumed by the taxpayer for purposes of sections 805(c) and 809(a)(2), shall be a rate equal to the current earnings rate determined under section 805(b)(2) with respect to the items separately accounted for in accordance with paragraph (3) reduced by the percentage obtained by dividing—

“(i) any amount retained with respect to such reserves by the life insurance company from gross investment income (as defined in section 804(b)) on segregated

73 Stat. 118,  
26 USC 805.

26 USC 809.

26 USC 804.

73 Stat. 117.  
26 USC 804.

assets, to the extent such retained amount exceeds the deductions allowable under section 804(c) which are attributable to such reserves, by

“(ii) the means of such reserves; and

“(B) with respect to reserves based on segregated asset accounts other than life insurance reserves, an amount equal to the product of—

“(i) the rate of interest assumed as defined in subparagraph (A), and

“(ii) the means of such reserves,

shall be included as interest paid within the meaning of section 805(e) (1).

73 Stat. 120.  
26 USC 805.

“(6) INCREASES AND DECREASES IN RESERVES.—For purposes of subsections (a) and (b) of section 810, the sum of the items described in section 810(c) taken into account as of the close of the taxable year shall, under regulations prescribed by the Secretary or his delegate, be adjusted—

“(A) by subtracting therefrom an amount equal to the sum of the amounts added from time to time (for the taxable year) to the reserves separately accounted for in accordance with paragraph (3) by reason of appreciation in value of assets (whether or not the assets have been disposed of), and

“(B) by adding thereto an amount equal to the sum of the amounts subtracted from time to time (for the taxable year) from such reserves by reason of depreciation in value of assets (whether or not the assets have been disposed of).

The deduction allowable for items described in paragraphs (1) and (7) of section 809(d) with respect to segregated asset accounts shall be reduced to the extent that the amount of such items is increased for the taxable year by appreciation (or increased to the extent that the amount of such items is decreased for the taxable year by depreciation) not reflected in adjustments under the preceding sentence.

73 Stat. 122.  
26 USC 809.

“(7) BASIS OF ASSETS HELD FOR QUALIFIED PENSION PLAN CONTRACTS.—In the case of contracts described in subparagraph (A), (B), (C), or (D) of section 805(d) (1), the basis of each asset in a segregated asset account shall (in addition to all other adjustments to basis) be—

“(A) increased by the amount of any appreciation in value, and

“(B) decreased by the amount of any depreciation in value, to the extent that such appreciation and depreciation are from time to time reflected in the increases and decreases in reserves or other items in paragraph (6) with respect to such contracts.

“(8) ADDITIONAL SEPARATE COMPUTATIONS.—Under regulations prescribed by the Secretary or his delegate, such additional separate computations shall be made, with respect to the items separately accounted for in accordance with paragraph (3), as may be necessary to carry out the purposes of this subsection and this part.”

(b) TAX IN CASE OF CAPITAL GAINS.—

73 Stat. 115.  
26 USC 802.

(1) ALTERNATIVE TAX.—Paragraph (2) of section 802(a) of such Code (relating to tax in case of capital gains) is amended to read as follows:

“(2) ALTERNATIVE TAX IN CASE OF CAPITAL GAINS.—If for any taxable year beginning after December 31, 1961, the net long-term capital gain of any life insurance company exceeds the net short-term capital loss, then, in lieu of the tax imposed by paragraph (1), there is hereby imposed a tax (if such tax is less than the

tax imposed by such paragraph) which shall consist of the sum of—

“(A) a partial tax, computed as provided by paragraph (1), on the life insurance company taxable income determined by reducing the taxable investment income, and the gain from operations, by the amount of such excess, and

“(B) an amount equal to 25 percent of such excess.”

(2) **TAXABLE INVESTMENT INCOME.**—Paragraph (2) of section 804(a) of such Code (relating to definition of taxable investment income) is amended by striking out “equal to the sum” and inserting in lieu thereof “equal to the amount (if any) by which the net long-term capital gain exceeds the net short-term capital loss plus the sum”.

73 Stat. 115.  
26 USC 804.

(3) **GAIN AND LOSS FROM OPERATIONS.**—Paragraphs (1) and (2) of section 809(b) of such Code (relating to definitions of gain and loss from operations) are each amended by striking out “and” at the end of subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

73 Stat. 121.  
26 USC 809.

“(B) the amount (if any) by which the net long-term capital gain exceeds the net short-term capital loss; and”.

(4) **CONFORMING AMENDMENTS.**—Sections 815(c)(3)(B) and 6501(c)(6) of such Code are each amended by striking out “802(a)(1)” and inserting in lieu thereof “802(a)”.

26 USC 815.  
26 USC 6501.

(c) **LIMITATION ON CERTAIN DEDUCTIONS.**—Section 809(f)(2) of such Code (relating to the application of limitation on certain deductions) is amended to read as follows:

26 USC 809.

“(2) **APPLICATION OF LIMITATION.**—The limitation provided by paragraph (1) shall apply first to the amount of the deduction under subsection (d)(3), then to the amount of the deduction under subsection (d)(6), and finally to the amount of the deduction under subsection (d)(5).”

(d) **NEW COMPANIES QUALIFYING FOR 8-YEAR LOSS CARRYOVER.**—

(1) **IN GENERAL.**—Section 812(e)(2)(B) of such Code (relating to nonqualified corporation) is amended by adding immediately after the words “with any other corporation” in the first sentence, the following: “(except a corporation taxable under part II or part III of this subchapter)”.

26 USC 812.

(2) **EFFECTIVE DATE.**—The amendment made by paragraph (1) shall apply with respect to all taxable years beginning after December 31, 1954, except that in the case of a nonqualified corporation, as defined in section 812(e)(2)(B) of the Internal Revenue Code of 1954 as in effect prior to the amendment made by paragraph (1), a loss from operations for a taxable year beginning in 1955 shall not be an operations loss carryover to the year 1961, and there shall be no reduction in the portion of such loss from operations which may be carried to 1962 or 1963 by reason of an offset with respect to the year 1961.

(e) **CERTAIN DISTRIBUTIONS OF STOCK OF SUBSIDIARIES.**—Section 815(a) of such Code (relating to distributions to shareholders) is amended by adding at the end thereof the following: “Further, for purposes of this section, the term ‘distribution’ does not include any distribution before January 1, 1964, of the stock of a controlled corporation to which section 355 applies, if such controlled corporation is an insurance company subject to the tax imposed by section 831 and

26 USC 815.

26 USC 355.  
26 USC 831.

68A Stat. 120.  
26 USC 368.

control has been acquired prior to January 1, 1963, in a transaction qualifying as a reorganization under section 368(a)(1)(B)."

(f) **EFFECTIVE DATE.**—Except as provided in subsection (d)(2), the amendments made by this section shall apply with respect to taxable years beginning after December 31, 1961.

Approved October 23, 1962.

## Public Law 87-859

### AN ACT

October 23, 1962  
[H. R. 5260]

To continue for an additional three-year period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—*

Coconut and  
palm oil.  
Tax suspension,  
extension.  
74 Stat. 73.  
26 USC 4511  
note.

(1) Section 3 of Public Law 85-235, as amended (71 Stat. 516), approved August 30, 1957 (relating to the temporary suspension of the tax on the first domestic processing of coconut oil); and

(2) Public Law 86-37, as amended (73 Stat. 64), approved May 29, 1959 (relating to the temporary suspension of the tax on the first domestic processing of palm oil, palm-kernel oil, etc.), are each amended by striking out "June 30, 1963" and inserting in lieu thereof "June 30, 1966".

Approved October 23, 1962.

## Public Law 87-860

### AN ACT

October 23, 1962  
[H. R. 7932]

To amend the Act of July 2, 1948, so as to repeal portions thereof relating to residual rights in certain land on Santa Rosa Island, Florida.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That* (a) the first sentence in the first section of the Act entitled "An Act to authorize the Secretary of the Army to sell and convey to Okaloosa County, State of Florida, all the right, title, and interest of the United States, including any restriction on use thereof, in and to a portion of Santa Rosa Island, Florida, and for other purposes", approved July 2, 1948 (62 Stat. 1229), is hereby amended by striking the words "for recreational purposes". Subparagraphs a, e, and g of the first section, and all of sections 2 and 3 of the Act are hereby repealed.

Santa Rosa  
Island, Okaloosa  
County, Fla.  
Residual rights,  
release.

63 Stat. 921.

Repeals.

(b) The Secretary of the Army shall issue such written instruments as may be necessary to bring the conveyance made to Okaloosa County, Florida, on May 22, 1950, under authority of the Act of July 2, 1948, into conformity with the amendment made by subsection (a) of this section.

Effective date.

SEC. 2. The first section of this Act shall take effect on the date the county of Okaloosa, Florida, shall pay to the Secretary of the Army the current fair market value (as determined by the Secretary), of the property interest authorized to be conveyed to such county under the first section of this Act.

Approved October 23, 1962.

## Public Law 87-861

## AN ACT

To amend the Trading With the Enemy Act, as amended.

October 23, 1962  
[H. R. 9045]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the last sentence of subsection (a) of section 39 of the Trading With the Enemy Act, as amended (62 Stat. 1246; 50 U.S.C., App., sec. 39), is amended to read as follows: "Nothing in this section shall be construed to repeal or otherwise affect the operation of section 32, 40, 41, 42, or 43 of this Act or of the Philippine Property Act of 1946."

SEC. 2. The Trading With the Enemy Act, as amended, is further amended by adding at the end thereof the following sections:

"SEC. 42. (a) As used in this section, the word 'trademarks' includes trademarks, trade names, and the goodwill of the business to which a trademark or trade name is appurtenant.

"(b) Trademarks vested in the Alien Property Custodian or the Attorney General under the provisions of this Act subsequent to December 17, 1941, which have not been returned or otherwise disposed of under this Act, except trademarks vested by vesting orders 284, as amended (7 Fed. Reg. 9754, 9 Fed. Reg. 1038), 2354 (8 Fed. Reg. 14635), 5592 (11 Fed. Reg. 1675), and 18805 (17 Fed. Reg. 4364), are hereby divested as a matter of grace, effective the ninety-first day after the date of enactment of this section, and the persons entitled to such trademarks shall on that day succeed to the rights, privileges, and obligations arising therefrom, subject, however, to the rights of licensees under licenses issued by the Alien Property Custodian or the Attorney General in respect to such trademarks. The rights and interests remaining in the Attorney General under licenses issued by him or by the Alien Property Custodian in respect to trademarks divested hereunder are hereby transferred, effective the day of divestment, to the persons entitled to such trademarks: *Provided*, That all unpaid royalties or other income accrued in favor of the Attorney General under such licenses prior to the day of divestment shall be paid by the licensees to the Attorney General.

"(c) All rights or interests vested in the Alien Property Custodian or the Attorney General under the provisions of this Act subsequent to December 17, 1941, arising out of prevesting contracts entered into with respect to trademarks, except—

"(1) royalties or other income received by or accrued in favor of the Alien Property Custodian or the Attorney General under such contracts;

"(2) rights or interests which have been returned or otherwise disposed of under this Act; and

"(3) rights or interests vested by vesting orders 284, as amended (7 Fed. Reg. 9754; 9 Fed. Reg. 1038), 2354 (8 Fed. Reg. 14635), 5592 (11 Fed. Reg. 1675), and 18805 (17 Fed. Reg. 4364), are hereby divested as a matter of grace, effective the ninety-first day after the date of enactment of this section, and the persons entitled to such rights or interests shall succeed thereto, subject to the right of the Attorney General to collect and receive all unpaid royalties or other income accrued in his favor under such prevesting contracts prior to the day of divestment.

"(d) The Attorney General shall within forty-five days after the date of enactment of this section publish in the Federal Register a list of trademarks which at the date of vesting in the Alien Property Custodian or Attorney General were owned by persons who were resident in or had their sole or primary seat in the area of Germany

Trading With the  
Enemy Act, amend-  
ment.

50 USC app. 32;  
Ante, p. 1115;  
*Infra*.  
60 Stat. 418.  
22 USC 1381  
note.  
"Trademarks."

Publication  
in F. R.



Publication in  
F. R.

now in the Soviet Zone of Occupation or in the Soviet sector of Berlin or in German territory under provisional Soviet or Polish administration. Notwithstanding the provisions of subsection (b) of this section, the effective date of divestment of the trademarks so listed and published in the Federal Register shall be the date of publication in the Federal Register by the Secretary of State of a certification identifying the cases in which an equivalent trademark has been registered in the Federal Republic of Germany for a person residing or having its sole or primary seat in the Federal Republic of Germany or in the western sectors of Berlin. In those cases of an equivalent trademark certified by the Secretary of State, the person registered by the Federal Republic of Germany as owner of such equivalent trademark shall succeed to the ownership of the divested trademark in the United States.

Motion pictures,  
transfer.

"SEC. 43. (a) The Attorney General is hereby authorized and directed to transfer to the Library of Congress the title to all prints of motion pictures now in the custody of the Library, which prints were vested in or transferred to the Alien Property Custodian or the Attorney General pursuant to this Act after December 17, 1941, except prints of motion pictures which are the subject of suits or claims under section 9(a) or section 32 of this Act.

42 Stat. 1511.  
50 USC app. 9.  
60 Stat. 50.  
50 USC app. 32.

"(b) Subject to the right of selection by the Library of Congress, the authorization, direction, and exception contained in subsection (a) hereof shall apply with respect to such prints now in the custody of the Attorney General. Prints not selected by the Library of Congress may be disposed of by the Attorney General in any manner he deems appropriate.

Disposal.

"(c) With respect to all prints concerning which title is transferred to the Library of Congress pursuant to subsections (a) and (b) hereof, the Library shall have complete discretion to retain such prints and to reproduce copies thereof, or to dispose of them in any manner it deems appropriate."

Approved October 23, 1962.

## Public Law 87-862

### AN ACT

October 23, 1962  
[H. R. 10708]

To amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity.

Rural Electri-  
fication Act of  
1936, amendment.  
63 Stat. 949.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 203 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 924), is amended by striking out subsection (a) thereof, and inserting in lieu thereof the following:

"Telephone  
service."

"(a) As used in this title, the term 'telephone service' shall be deemed to mean any communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity between the transmitting and receiving apparatus, and shall include all telephone lines, facilities, or systems used in the rendition of such service; but shall not be deemed to mean message telegram service or community antenna television system services or facilities other than those intended exclusively for educational purposes, or radio broadcasting services or facilities within the meaning of section 3(o) of the Communications Act of 1934, as amended."

48 Stat. 1066.  
47 USC 153.

Approved October 23, 1962.

## Public Law 87-863

## AN ACT

October 23, 1962  
[H. R. 10620]

To amend section 213 of the Internal Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, etc., expenses, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subsection (c) of section 213 of the Internal Revenue Code of 1954 (relating to maximum limitations on deduction for medical, dental, etc., expenses) is amended—

Taxes.  
Medical ex-  
pense deductions.  
26 USC 213.

(1) by striking out “\$2,500” and inserting in lieu thereof “\$5,000”,

(2) by striking out “\$5,000” and inserting in lieu thereof “\$10,000”, and

(3) by striking out “\$10,000” and inserting in lieu thereof “\$20,000”.

(b) Subsection (g) of such section (relating to maximum limitation if taxpayer or spouse has attained age 65 and is disabled) is amended—

(1) by striking out “\$15,000” each place it appears therein and inserting in lieu thereof “\$20,000”, and

(2) by striking out “\$30,000” and inserting in lieu thereof “\$40,000”.

(c) The amendments made by subsections (a) and (b) shall apply only with respect to taxable years beginning after December 31, 1961.

SEC. 2. (a) Section 401 of the Internal Revenue Code of 1954 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

26 USC 401.

*Ante*, p. 811.

*Ante*, p. 819.

“(h) MEDICAL, ETC., BENEFITS FOR RETIRED EMPLOYEES AND THEIR SPOUSES AND DEPENDENTS.—Under regulations prescribed by the Secretary or his delegate, a pension or annuity plan may provide for the payment of benefits for sickness, accident, hospitalization, and medical expenses of retired employees, their spouses and their dependents, but only if—

“(1) such benefits are subordinate to the retirement benefits provided by the plan,

“(2) a separate account is established and maintained for such benefits,

“(3) the employer’s contributions to such separate account are reasonable and ascertainable,

“(4) it is impossible, at any time prior to the satisfaction of all liabilities under the plan to provide such benefits, for any part of the corpus or income of such separate account to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the providing of such benefits, and

“(5) notwithstanding the provisions of subsection (a)(2), upon the satisfaction of all liabilities under the plan to provide such benefits, any amount remaining in such separate account must, under the terms of the plan, be returned to the employer.”

(b) Section 404(a)(2) of such Code (relating to employees’ annuities) is amended—

26 USC 404.

(1) by inserting after “purchase of retirement annuities” the following: “, or retirement annuities and medical benefits as described in section 401(h),”; and

(2) by inserting after “such retirement annuities” the following: “, or such retirement annuities and medical benefits”.

(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after the date of the enactment of this Act.

59 Stat. 844.

SEC. 3. Any taxpayer who exercised an option to capitalize intangible drilling and development costs under the regulations recognized and approved by the Congress in H. Con. Res. 50, 79th Congress, or under section 39.23(m)-16 of regulations 118, is hereby granted a new option for the first taxable year ending on or after the date of the enactment of this Act to deduct such costs as expenses. Such new option shall be exercised at the time of filing the income tax return for such first taxable year, but otherwise shall be treated, for all purposes, as an option exercised under, and subject to, section 263(c) of the Internal Revenue Code of 1954 and the regulations prescribed thereunder.

26 USC 263.

26 USC 5123.

SEC. 4. (a) Section 5123(b) of the Internal Revenue Code of 1954 (relating to application of special tax on retail dealers in liquor where business is conducted in more than one location) is amended by adding at the end thereof the following new paragraph:

“(3) LIQUOR STORES OPERATED BY STATES, POLITICAL SUBDIVISIONS, ETC.—A State, a political subdivision of a State, or the District of Columbia shall not be required to pay more than one special tax as a retail dealer in liquors under section 5121(a) regardless of the number of locations at which such State, political subdivision, or District carries on business as a retail dealer in liquors.”

26 USC 5121.

26 USC 5113.

(b) Section 5113(b) of such Code (relating to application of special tax on wholesale dealers in liquor to liquor stores operated by States, political subdivisions, etc.) is amended—

(1) by striking out “or Territory” and “Territory,” each place such terms appear, and

(2) by striking out “if such liquor store” and inserting in lieu thereof “if such State, political subdivision, or District”.

Effective date.

(c) The amendments made by subsections (a) and (b) of this section shall take effect on July 1, 1962.

26 USC 1341.

SEC. 5. (a) Section 1341(b) of the Internal Revenue Code of 1954 (relating to special rules applicable to computation of tax where taxpayer restores substantial amount held under claim of right) is amended by adding at the end thereof the following new paragraphs:

“(4) For purposes of determining whether paragraph (4) or paragraph (5) of subsection (a) applies—

“(A) in any case where the deduction referred to in paragraph (4) of subsection (a) results in a net operating loss, such loss shall, for purposes of computing the tax for the taxable year under such paragraph (4), be carried back to the same extent and in the same manner as is provided under section 172; and

“(B) in any case where the exclusion referred to in paragraph (5)(B) of subsection (a) results in a net operating loss or capital loss for the prior taxable year (or years), such loss shall, for purposes of computing the decrease in tax for the prior taxable year (or years) under such paragraph (5)(B), be carried back and carried over to the same extent and in the same manner as is provided under section 172 or section 1212, except that no carryover beyond the taxable year shall be taken into account.

26 USC 172,  
1212.

“(5) For purposes of this chapter, the net operating loss described in paragraph (4)(A) of this subsection, or the net operating loss or capital loss described in paragraph (4)(B) of this subsection, as the case may be, shall (after the application of paragraph (4) or (5)(B) of subsection (a) for the taxable year)

be taken into account under section 172 or 1212 for taxable years after the taxable year to the same extent and in the same manner as—

“(A) a net operating loss sustained for the taxable year, if paragraph (4) of subsection (a) applied, or

“(B) a net operating loss or capital loss sustained for the prior taxable year (or years), if paragraph (5) (B) of subsection (a) applied.”

(b) The amendment made by subsection (a) shall be effective with respect to taxable years beginning on or after January 1, 1962.

Effective date.

SEC. 6. (a) (1) Section 7608 of the Internal Revenue Code of 1954 (relating to authority of Internal Revenue enforcement officers) is amended by adding at the end thereof the following new subsection:

26 USC 7608.

“(b) ENFORCEMENT OF LAWS RELATING TO INTERNAL REVENUE OTHER THAN SUBTITLE E.—

“(1) Any criminal investigator of the Intelligence Division or of the Internal Security Division of the Internal Revenue Service whom the Secretary or his delegate charges with the duty of enforcing any of the criminal provisions of the internal revenue laws or any other criminal provisions of law relating to internal revenue for the enforcement of which the Secretary or his delegate is responsible is, in the performance of his duties, authorized to perform the functions described in paragraph (2).

“(2) The functions authorized under this subsection to be performed by an officer referred to in paragraph (1) are—

“(A) to execute and serve search warrants and arrest warrants, and serve subpoenas and summonses issued under authority of the United States;

“(B) to make arrests without warrant for any offense against the United States relating to the internal revenue laws committed in his presence, or for any felony cognizable under such laws if he has reasonable grounds to believe that the person to be arrested has committed or is committing any such felony; and

“(C) to make seizures of property subject to forfeiture under the internal revenue laws.”

(2) Such section is further amended by striking out “Any” and inserting in lieu thereof “(a) ENFORCEMENT OF SUBTITLE E AND OTHER LAWS PERTAINING TO LIQUOR, TOBACCO, AND FIREARMS.—Any”.

(b) The amendments made by subsection (a) shall take effect on the day after the date of enactment of this Act.

Effective date.

Approved October 23, 1962.

Public Law 87-864

### JOINT RESOLUTION

Fixing the time of assembly of the Eighty-eighth Congress.

October 23, 1962  
[H. J. Res. 907]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Eighty-eighth Congress shall assemble at noon on Wednesday, January 9, 1963.*

Approved October 23, 1962.

## Public Law 87-865

## AN ACT

October 23, 1962  
[H. R. 10936]

To permit the Postmaster General to extend contract mail routes up to one hundred miles during the contract term, and for other purposes.

Postal Service.  
Contract mail  
routes, extension.  
74 Stat. 702.

Second class  
publications.  
74 Stat. 671.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of subsection (a) of section 6424 of title 39, United States Code, is amended by striking out "fifty miles", and inserting in lieu thereof "one hundred miles".

SEC. 2. (a) Section 4369 of title 39, United States Code, is amended to read as follows:

**"§ 4369. Filing of information relating to publications of the second class**

"(a) Each owner of a publication having second-class mail privileges under section 4354 of this title shall furnish to the Postmaster General at least once a year, and shall publish in such publication once a year, information in such form and detail and at such time as he may require respecting—

"(1) the identity of the editor, managing editor, publishers, and owners;

"(2) the identity of the corporation and stockholders thereof, if the publication is owned by a corporation;

"(3) the identity of known bondholders, mortgagees, and other security holders;

"(4) the extent and nature of the circulation of the publication, including, but not limited to, the number of copies distributed, the methods of distribution, and the extent to which such circulation is paid in whole or in part: *Provided, however,* That trade publications serving the performing arts need only to furnish such information to the Postmaster General; and

"(5) such other information as he may deem necessary to determine whether the publication meets the standards for second-class mail privileges.

The Postmaster General shall not require the names of persons owning less than 1 per centum of the total amount of stocks, bonds, mortgages, or other securities.

"(b) Each publication having second-class mail privileges under section 4355(b) of this title shall furnish to the Postmaster General information in such form and detail, and at such times, as he requires to determine whether the publication continues to qualify thereunder. In addition, the Postmaster General may require each publication which has second-class mail privileges under section 4355(a) or 4356 of this title to furnish information, in such form and detail and at such times as he may require, to determine whether the publication continues to qualify thereunder.

"(c) The Postmaster General shall make appropriate rules and regulations to carry out the purposes of this section, including provision for suspension or revocation of second-class mail privileges for failure to furnish the required information."

(b) The table of contents of chapter 63 of such title is amended by striking out

"4369. Affidavits relating to publications of the second class."

and inserting in lieu thereof

"4369. Filing of information relating to publications of the second class."

SEC. 3. The second paragraph of section 2 of the Act of August 24, 1912, as amended by the Act of June 11, 1960 (74 Stat. 208; Public Law 86-513), and by paragraph 34 of the first section of the Act of June 11, 1960 (74 Stat. 202; Public Law 86-507), is hereby repealed.

Approved October 23, 1962.

39 USC 4351 et  
seq.

Repeal.  
37 Stat. 553.  
39 USC 233.

## Public Law 87-866

## AN ACT

To authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

October 23, 1962  
[H. R. 12135]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SHORT TITLE

SECTION 1. This Act may be cited as the "Federal-Aid Highway Act of 1962".

Federal-Aid  
Highway Act of  
1962.

## AUTHORIZATIONS

SEC. 2. For the purpose of carrying out the provisions of title 23 of the United States Code the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system and the Federal-aid secondary system and for their extension within urban areas, out of the Highway Trust Fund, \$950,000,000 for the fiscal year ending June 30, 1964, and \$975,000,000 for the fiscal year ending June 30, 1965. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

(A) 45 per centum for projects on the Federal-aid primary highway system;

(B) 30 per centum for projects on the Federal-aid secondary highway system; and

(C) 25 per centum for projects on extensions of the Federal-aid primary and Federal-aid secondary highway systems in urban areas.

(2) For forest highways, \$33,000,000 for the fiscal year ending June 30, 1964, and \$33,000,000 for the fiscal year ending June 30, 1965.

(3) For forest development roads and trails, an additional \$10,000,000 for the fiscal year ending June 30, 1963, \$70,000,000 for the fiscal year ending June 30, 1964, and \$85,000,000 for the fiscal year ending June 30, 1965.

(4) For public lands development roads and trails, \$2,000,000 for the fiscal year ending June 30, 1964, and \$4,000,000 for the fiscal year ending June 30, 1965.

(5) For park roads and trails, \$22,000,000 for the fiscal year ending June 30, 1964, and \$25,000,000 for the fiscal year ending June 30, 1965.

(6) For parkways, \$16,550,000 for the fiscal year ending June 30, 1964, and \$16,000,000 for the fiscal year ending June 30, 1965.

(7) For Indian reservation roads and bridges, \$16,000,000 for the fiscal year ending June 30, 1964, and \$18,000,000 for the fiscal year ending June 30, 1965.

(8) For public lands highways, the additional sum of \$6,000,000 for the fiscal year ending June 30, 1963, and the sum of \$9,000,000 for the fiscal year ending June 30, 1964, and \$9,000,000 for the fiscal year ending June 30, 1965.

## THE RAMA ROAD

SEC. 3. That in order to provide for completion of the Rama Road in the Republic of Nicaragua, there is hereby authorized to be appropriated to the Department of State, in addition to the sums heretofore authorized, the sum of \$850,000, to be available until expended, for discharging the United States obligation under the applicable agreement with the Government of Nicaragua: *Provided*, That the survey and construction work shall be under the general supervision

Appropriation.

72 Stat. 911.

of the Secretary of Commerce: *Provided further*, That funds provided pursuant to this authorization shall not be available for expenditure except under the conditions set forth in section 213 of title 23, United States Code, with respect to the authorization contained in that section: *And provided further*, That the funds authorized in this section shall be available for contract immediately upon the passage of this Act.

#### INTER-AMERICAN HIGHWAY

Appropriation.

Limitation.

SEC. 4. For the purpose of completing the construction of the Inter-American Highway, there is hereby authorized to be appropriated the additional sum of \$32,000,000 to be expended in accordance with the provisions of section 212 of title 23 of the United States Code: *Provided*, That no part of such sum shall be obligated in any country until that country demonstrates, to the satisfaction of the Secretary, that it is capable of and willing to meet its commitment for maintenance under the agreements entered into pursuant to the provisions of section 212(a)(5) of title 23, United States Code. Not to exceed \$12,000,000 of the funds authorized herein shall be available for contract immediately upon enactment of this Act and compliance with such commitment, except that such contract authority shall be reduced by such amounts as are appropriated for construction of the Inter-American Highway by the Eighty-seventh Congress, second session.

#### ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESSES

23 USC 101-132.

SEC. 5. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

##### “§ 133. Relocation assistance

“Eligible person.”

“(a) As used in this section the term ‘eligible person’ means any individual, family, business concern (including the operation of a farm) and nonprofit organization to be displaced by construction of a project.

“(b) The Secretary prior to his approval of any project under section 106 of this title for right-of-way acquisition or actual construction shall require the State highway department to give satisfactory assurance that relocation advisory assistance shall be provided for the relocation of families displaced by acquisition or clearance of rights-of-way for any Federal-aid highway.

“(c) The Secretary shall approve, as a part of the cost of construction of a project on any of the Federal-aid highway systems, such relocation payments as may be made by a State highway department, or a local public agency acting as an agent for the State highway department for this purpose, to eligible persons for their reasonable and necessary moving expenses caused by their displacement from real property acquired for such project. However, the Secretary shall not require a State to pay relocation payments where not authorized by State law.

Limitations.

“(d) Payments under this section shall be subject to such rules and regulations as may be prescribed by the Secretary, and shall not exceed \$200 in the case of an individual or family, or \$3,000 in the case of a business concern (including the operation of a farm) or nonprofit organization. In the case of a business (including the operation of a farm) and in the case of a nonprofit organization, the allowable expenses for transportation under this subsection shall not exceed the cost of moving 50 miles from the point from which such business or organization is being displaced. Such rules and regulations may include provisions authorizing reimbursement for payments made to individuals and families of fixed amounts (not to exceed \$200 in any

case) in lieu of their respective reasonable and necessary moving expenses.

“(e) This section shall apply only with respect to projects approved under section 106 of this title after the date of enactment of this section.” 72 Stat. 892.

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

“133. Relocation assistance.”

#### PUBLIC LANDS DEVELOPMENT ROADS AND TRAILS

SEC. 6. (a) Section 101 of title 23, United States Code, is amended by inserting immediately after the paragraph which begins “The term ‘project agreement’ means”, the following:

“The term ‘public lands development roads and trails’ means those roads or trails which the Secretary of the Interior determines are of primary importance for the development, protection, administration, and utilization of public lands and resources under his control.”

(b) Chapter 2 of title 23 of the United States Code is amended by adding at the end thereof the following new section: 23 USC 201-213.

#### “§ 214. Public lands development roads and trails

“(a) Funds available for public lands development roads and trails shall be used to pay the cost of construction and improvement of such roads and trails.

“(b) Funds available for public lands development roads and trails shall be available for adjacent vehicular parking areas and for sanitary, water, and fire control facilities.

“(c) The Secretary shall approve the location, type, and design of all projects for public lands development roads and trails before any expenditures are made thereon and all construction thereof shall be under the general supervision of the Secretary.”

(c) The analysis of chapter 2 of title 23 is amended by adding at the end thereof the following:

“214. Public lands development roads and trails.”

#### AVAILABILITY OF FUNDS—OTHER HIGHWAYS

SEC. 7. Section 203 of title 23 of the United States Code is amended by inserting immediately before the phrase “park roads and trails”, at each of the two places it appears in such section, the following: “public lands development roads and trails,”.

#### FEDERAL-AID SECONDARY HIGHWAY SYSTEM—URBAN AREAS

SEC. 8. (a) The last sentence of subsection (c) of section 103 of title 23, United States Code, is amended to read as follows: “This system may be located both in rural and urban areas, but any extension of the system into urban areas shall be subject to the condition that such extension pass through the urban area or connect with another Federal-aid system within the urban area.”

(b) The amendment made by subsection (a) of this section shall apply to apportionments made before as well as after the date of enactment of this Act.



## TRANSPORTATION PLANNING IN CERTAIN URBAN AREAS

SEC. 9. (a) Chapter 1 of title 23, United States Code, is amended by adding immediately following section 133 the following new section:

Ante, p. 1146.

**"§ 134. Transportation planning in certain urban areas"**

"It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States, as authorized in this title, in the development of long-range highway plans and programs which are properly coordinated with plans for improvements in other affected forms of transportation and which are formulated with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. After July 1, 1965, the Secretary shall not approve under section 105 of this title any program for projects in any urban area of more than fifty thousand population unless he finds that such projects are based on a continuing comprehensive transportation planning process carried on cooperatively by States and local communities in conformance with the objectives stated in this section."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"134. Transportation planning in certain urban areas."

## RURAL DELIVERY AND STAR ROUTE MILEAGE

72 Stat. 889;  
73 Stat. 146.

SEC. 10. (a) Subsection (b)(1) of section 104 of title 23 of the United States Code is amended by striking out "preceding fiscal year" and inserting in lieu thereof "preceding calendar year".

(b) The amendment made by subsection (a) of this section shall be applicable only with respect to apportionments made after the date of enactment of this Act.

## HIGHWAY PLANNING AND RESEARCH FUNDS

72 Stat. 913.

SEC. 11. Subsection (c) of section 307 of title 23 of the United States Code is amended by inserting "(1)" immediately after "(c)", by striking out "any year" and inserting in lieu thereof "each fiscal year prior to the fiscal year 1964", and by adding at the end thereof the following:

"(2) One and one-half per centum of the sums apportioned for each fiscal year beginning with the fiscal year 1964 to any State under section 104 of this title shall be available for expenditure by the State highway department only for the purposes enumerated in paragraph (1) of this subsection.

"(3) In addition to the percentage provided in paragraph (2) of this subsection, not to exceed one-half of one per centum of sums apportioned for each fiscal year beginning with the fiscal year 1964 under paragraphs (1), (2), and (3) of section 104(b) of this title shall be available for expenditure upon request of the State highway department for the purposes enumerated in paragraph (1) of this subsection.

"(4) Sums made available under paragraphs (2) and (3) of this subsection shall be matched by the State in accordance with section 120 of this title unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching."

## DEFINITIONS

SEC. 12. For the purposes of section 2 of this Act each of the following terms shall have the same meaning as is given it in section 101 of title 23 of the United States Code:

72 Stat. 885.

- (1) Forest development roads and trails;
- (2) Forest highway;
- (3) Indian reservation roads and bridges;
- (4) Park roads and trails;
- (5) Parkway;
- (6) Public lands highways;
- (7) Federal-aid primary system;
- (8) Federal-aid secondary system;
- (9) Urban area;
- (10) Public lands development roads and trails.

## ALASKA HIGHWAY STUDY

SEC. 13. (a) The Secretary of Commerce, in cooperation with the State of Alaska, is hereby authorized to make engineering studies and estimates and planning surveys relative to a highway construction program for the State of Alaska, and, in accordance with treaties or other agreements to be negotiated with Canada by the Secretary of State in consultation with the Secretary of Commerce, engineering studies, estimates, and planning surveys relative to connecting Alaskan roads with Canadian roads at the International boundary.

(b) On or before May 15, 1964, the Secretary of Commerce shall submit a report to the Congress which shall include—

Report to Congress.

(1) an analysis of the adequacy of the Federal-aid highway program to provide for a satisfactory program in both the populated and the undeveloped areas in Alaska;

(2) specific recommendations as to the construction of roads through undeveloped areas of Alaska and connection of such roads with Canadian roads at the International boundary; and

(3) a feasible program for implementing such specific recommendations, including cost estimates, recommendations as to the sharing of cost responsibilities, and other pertinent matters.

(c) From time to time, either before or after submission of the report provided for in subsection (b) of this section, the Secretary of Commerce may submit recommendations to the Congress with respect to the construction of particular highways to carry out the purposes of this section.

(d) Nothing in this section shall be construed as creating any obligation in the Congress, express or implied, to carry out the recommendations referred to in subsections (b) and (c).

(e) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of \$800,000 for the purpose of making the studies, surveys, and report authorized by subsections (a) and (b) hereof.

Appropriation.

Approved October 23, 1962.

## Public Law 87-867

October 23, 1962  
[H. R. 12276]

## AN ACT

Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1963, and for other purposes.

## FEDERAL FUNDS

## FEDERAL PAYMENT TO DISTRICT OF COLUMBIA

District of Columbia Appropriation Act, 1963.

Ante, p. 18.

68 Stat. 104.  
D.C. Code 43-1602.

D.C. Code 43-1540.  
D.C. Code 9-220.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there are appropriated for the District of Columbia for the fiscal year ending June 30, 1963, out of (1) the general fund of the District of Columbia (unless otherwise herein specifically provided), hereinafter known as the general fund, such fund being composed of the revenues of the District of Columbia other than those applied by law to special funds, and \$30,000,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1962), (2) the highway fund (when designated as payable therefrom), established by law (D.C. Code, title 47, ch. 19), including the motor vehicle parking account (when designated as payable therefrom), established by law (Public Law 87-408), (3) the water fund (when designated as payable therefrom), established by law (D.C. Code, title 43, ch. 15), and \$1,938,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1962), and (4) the sanitary sewage works fund (when designated as payable therefrom), established by law (Public Law 364, 83d Congress), and \$961,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1962); and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, \$23,542,000, which, together with balances of previous appropriations for this purpose, shall remain available until expended, for loans authorized by the Act of May 18, 1954 (68 Stat. 101), and the Act of June 6, 1958 (72 Stat. 183), to be advanced upon request of the Commissioners to the following funds: general fund, \$18,700,000, highway fund, \$1,600,000, and sanitary sewage works fund, \$3,242,000.

FEDERAL CONTRIBUTION AND LOANS TO THE METROPOLITAN AREA  
SANITARY SEWAGE WORKS FUND

For additional amounts for payment of the Federal contribution to the Metropolitan area sanitary sewage works fund of the District of Columbia, \$300,000, and for loans to be advanced and credited to said fund upon request of the Commissioners, \$2,500,000, both amounts to remain available until expended.

## DISTRICT OF COLUMBIA FUNDS

## OPERATING EXPENSES

For expenses necessary for functions under this general head:

## GENERAL OPERATING EXPENSES

General operating expenses, plus so much as may be necessary to compensate the Engineer Commissioner at a rate equal to each civilian member of the Board of Commissioners of the District of Columbia,

hereafter in this Act referred to as the Commissioners; \$15,974,250, of which \$350,000 (to remain available until expended) shall be available solely for District of Columbia employees' disability compensation and \$161,000 shall be payable from the highway fund (including \$48,000 from the motor vehicle parking account), \$23,900 from the water fund, and \$6,400 from the sanitary sewage works fund: *Provided*, That the certificate of the Commissioners shall be sufficient voucher for the expenditure of \$2,500 of this appropriation for such purposes, exclusive of ceremony expenses, as they may deem necessary: *Provided further*, That, for the purpose of assessing and reassessing real property in the District of Columbia, \$5,000 of the appropriation shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not in excess of \$100 per diem.

60 Stat. 810.

### PUBLIC SAFETY

Public Safety, including employment of consulting physicians, diagnosticians, and therapists at rates to be fixed by the Commissioners; the present acting captain of the Metropolitan Police in charge of the public vehicle unit with the rank and pay of captain while so assigned, the present lieutenant in charge of the Accident Investigation Unit of Traffic Division with the rank and pay of captain while so assigned, the present senior lieutenant assigned to the Robbery Squad with the rank and pay of captain while so assigned, the present lieutenant assigned as Pawn Inspector with the rank and pay of captain while so assigned, and the present lieutenant assigned as court liaison officer with the rank and pay of captain while so assigned; purchase of fifty-five passenger motor vehicles including forty-six for police-type use without regard to the general purchase price limitation for the current fiscal year (but not in excess of \$100 per vehicle above such limitation) of which forty-four are replacements and nine for other replacement purposes; \$57,587,800, of which \$100,000 shall be transferred to the judiciary and disbursed by the Administrative Office of the United States Courts for expenses of the Legal Aid Agency for the District of Columbia and \$155,000 shall be payable from the highway fund (including \$111,000 from the motor vehicle parking account): *Provided*, That not to exceed \$50,000 of any funds from appropriations available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Civil Defense for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Commissioners: *Provided further*, That the limitation of \$10,000 included under the heading "Corporation Counsel" in the District of Columbia Appropriation Act, 1961, for settlement of claims not in excess of \$250 each is hereby increased to \$15,000.

74 Stat. 18.

### EDUCATION

Education, including the development of national defense education programs and for matching Federal grants under the National Defense Education Act of September 2, 1958 (72 Stat. 1580), as amended, \$57,248,400, of which \$574,200 shall be for development of vocational education in the District of Columbia in accordance with the Act of June 8, 1936, as amended, and the limitation of \$6,000 included under the heading "Public Schools" in the District of Columbia Appropriation Act, 1961, for services of experts and consultants is hereby increased to \$7,600.

20 USC 401  
note.60 Stat. 775.  
20 USC 151 note.

74 Stat. 19.

Section 6 of the Legislative, Executive, and Judicial Appropriation Act, approved May 10, 1916, as amended, shall not apply from July 1

39 Stat. 582.  
5 USC 58, 59  
note.

to August 25, 1962, to teachers of the public schools of the District of Columbia when employed by any of the branches of the United States Government or by any department or agency of the District of Columbia government.

#### PARKS AND RECREATION

Parks and recreation, including the purchase, acquisition, and transportation of specimens for the National Zoological Park, \$8,359,800, of which \$25,000 shall be payable from the highway fund.

#### HEALTH AND WELFARE

Health and Welfare, including reimbursement to the United States for services rendered to the District of Columbia by Freedmen's Hospital; and for care and treatment of indigent patients in institutions, including those under sectarian control, under contracts to be made by the Director of Public Health; \$65,386,300: *Provided*, That the inpatient rate and outpatient rate under such contracts and for services rendered by Freedmen's Hospital shall not exceed \$32 per diem and the outpatient rate shall not exceed \$5 per visit: *Provided further*, That this appropriation shall be available for the furnishing of medical assistance to individuals sixty-five years of age or older who are residing in the District of Columbia without regard to the requirement of one-year residence contained in District of Columbia Appropriation Act, 1946, under the heading "Operating Expenses, Gallinger Municipal Hospital," and this appropriation shall also be available to render assistance to such individuals who are temporarily absent from the District of Columbia.

59 Stat. 282.

#### HIGHWAYS AND TRAFFIC

Highways and Traffic, including \$63,400 for traffic safety education without reference to any other law; the limitation of \$200 included under the heading "Department of Motor Vehicles" in the District of Columbia Appropriation Act, 1961, for membership in the American Association of Motor Vehicle Administrators is hereby increased to \$240; rental of three passenger-carrying motor vehicles for use by the Commissioners; and purchase of thirty-nine passenger motor vehicles, including thirty for replacement only; \$11,418,000, of which \$7,652,126 shall be payable from the highway fund (including \$1,642,100 from the motor vehicle parking account): *Provided*, That this appropriation shall not be available for the purchase of driver-training vehicles.

74 Stat. 24.

#### SANITARY ENGINEERING

Sanitary Engineering, including the purchase of thirteen passenger motor vehicles for replacement only, \$20,760,800 of which \$204,000 shall be payable from the highway fund (motor vehicle parking account), \$6,861,375 shall be payable from the water fund, and \$3,936,650 shall be payable from the sanitary sewage works fund.

#### CAPITAL OUTLAY

##### CAPITAL OUTLAY

For reimbursement to the United States of funds loaned in compliance with section 4 of the Act of May 29, 1930 (46 Stat. 482), as amended, the Act of August 7, 1946 (60 Stat. 896), as amended, the Act of May 14, 1948 (62 Stat. 235), and section 108 of the Act of May 18, 1954 (68 Stat. 103), including interest as required thereby;

D.C. Code 8-106  
note.

D.C. Code 11-  
103; 43-1540.

construction projects as authorized by the Acts of April 22, 1904 (33 Stat. 244), February 16, 1942 (56 Stat. 91), May 18, 1954 (68 Stat. 105, 110), June 6, 1958 (72 Stat. 183), and August 20, 1958 (72 Stat. 686); including acquisition of sites; preparation of plans and specifications for the following buildings and facilities: New junior high school, North Dakota and Kansas Avenues, Northwest, Bunker Hill Elementary School addition, new junior high school in the vicinity of 48th and Meade Streets, Northeast, Hine Junior High School replacement, Southwest Branch Library, and Engine Company Number 18 replacement; for conducting a preliminary survey of the locking system at the District of Columbia Jail; erection of the following structures, including building improvement and alteration and the treatment of grounds: Garrison Elementary School replacement, elementary school in the vicinity of Fifty-third and C Streets, Southeast, elementary school in the vicinity of Camp Simms, Hart Junior High School addition, Capitol View Branch Library, Palisades Branch Library, Kelly-Miller Swimming Pool, Third Police Precinct replacement, Thirteenth Police Precinct replacement, Harbor Police Precinct replacement, Engine Company Number 8 replacement, consolidation and expansion of structures at the District of Columbia General Hospital, improvement of communications at Lorton Reservation, Chapel at the Maple Glen School, Dining Room addition and three children's cottages at the Junior Village, and Security Cottage addition at the Cedar Knoll School; \$162,000 for purchase of equipment for new school buildings; to remain available until expended, \$49,451,000, of which \$14,500,000, shall not become available for expenditure until July 1, 1963, \$9,871,142 shall be payable from the highway fund (including \$60,000 from the motor vehicle parking account), \$1,748,053 shall be payable from the water fund, \$7,083,636 shall be payable from the sanitary sewage works fund, and \$1,193,700 shall be available for construction services by the Director of Buildings and Grounds or by contract for architectural engineering services, as may be determined by the Commissioners, and the funds for the use of the Director of Buildings and Grounds shall be advanced to the appropriation account, "Construction services, Department of Buildings and Grounds": *Provided*, That not to exceed \$300,000 of funds heretofore appropriated under the heading "Capital Outlay" shall be available for purchase of furniture and equipment for new dormitories at the District of Columbia Village.

D.C. Code 43-  
1510; 40-804;  
7-132; 9-220;  
40-804.

#### POTOMAC INTERCEPTOR SEWERLINE

For an additional amount for necessary expenses for plans, specifications, acquisitions of rights-of-way, construction, and operation of a sanitary interceptor and trunk sewerline, to extend from the District of Columbia system to the Dulles International Airport; to remain available until expended, \$2,800,000, to be payable from the "Metropolitan area sanitary sewage works fund".

#### GENERAL PROVISIONS

SEC. 2. Except as otherwise provided herein, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official without countersignature.

Vouchers.

SEC. 3. Whenever in this Act an amount is specified within an appropriation for particular purposes or object of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount which may be expended for said purpose or object rather than an amount set apart exclusively therefor.

Maximum amount.

Automobile al-  
lowances.

SEC. 4. Appropriations in this Act shall be available, when authorized or approved by the Commissioners, for allowances for privately owned automobiles used for the performance of official duties at 8 cents per mile but not to exceed \$25 a month for each automobile, unless otherwise therein specifically provided, except that one hundred and twenty-five (fifty for investigators in the Department of Public Welfare) such allowances at not more than \$410 each per annum may be authorized or approved by the Commissioners.

Travel ex-  
penses.

SEC. 5. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Commissioners: *Provided*, That the total expenditures for this purpose shall not exceed \$65,000.

60 Stat. 810.

SEC. 6. Appropriations in this Act shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

SEC. 7. The disbursing officials designated by the Commissioners are authorized to advance to such officials as may be approved by the Commissioners such amounts and for such purposes as the Commissioners may determine.

SEC. 8. Appropriations in this Act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Utilities Commission.

SEC. 9. Appropriations in this Act shall not be available for the payment of rates for electric current for street lighting in excess of 2 cents per kilowatt-hour for current consumed.

60 Stat. 810.

SEC. 10. All motor-propelled passenger-carrying vehicles (including watercraft) owned by the District of Columbia shall be operated and utilized in conformity with section 16 of the Act of August 2, 1946 (5 U.S.C. 77, 78), and shall be under the direction and control of the Commissioners, who may from time to time alter or change the assignment for use thereof, or direct the alteration of interchangeable use of any of the same by officers and employees of the District, except as otherwise provided in this Act. "Official purposes" shall not apply to the Commissioners of the District of Columbia or in cases of officers and employees the character of whose duties makes such transportation necessary, but only as to such latter cases when the same is approved by the Commissioners.

SEC. 11. Appropriations contained in this Act for Highways and Traffic, and Sanitary Engineering shall be available for snow and ice control work when ordered by the Commissioners in writing.

SEC. 12. Appropriations in this Act shall be available when authorized by the Commissioners, for the rental of quarters without reference to section 6 of the District of Columbia Appropriation Act, 1945.

58 Stat. 532.  
D.C. Code 1-  
243.  
Uniforms.

SEC. 13. Appropriations in this Act shall be available for the furnishing of uniforms when authorized by the Commissioners.

D.C. Code 47-  
1910.

SEC. 14. There are hereby appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments which have been entered against the government of the District of Columbia, including refunds authorized by section 10 of the Act approved April 23, 1924 (43 Stat. 108): *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of paragraph 3, subsection (c) of section 11 of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended.

70 Stat. 78.  
D.C. Code 47-  
1586j.

SEC. 15. Except as otherwise provided herein, limitations and legislative provisions contained in the District of Columbia Appropriation Act, 1961, shall be continued for the fiscal year 1963: *Provided*, That the limitation for "Construction Services, Department of Buildings and Grounds" contained in the District of Columbia Appropriation Act, 1961, shall be increased from 6 to 7 per centum of appropriations for construction projects.

74 Stat. 17.

74 Stat. 23.

SEC. 16. The salary of the Controller for the Department of Public Welfare shall be at the rate of Grade GS-16 and the Commissioners are authorized to appoint supervisors of investigators for the Department of Public Welfare at Grade GS-11 and investigators at Grade GS-9.

This Act may be cited as the "District of Columbia Appropriation Act, 1963".

Short title.

Approved October 23, 1962.

## Public Law 87-868

### AN ACT

To assist States and communities to carry out intensive vaccination programs designed to protect their populations, particularly all preschool children, against poliomyelitis, diphtheria, whooping cough, and tetanus.

October 23, 1962  
[H. R. 10541]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Vaccination Assistance Act of 1962".

Vaccination Assistance Act of 1962.

SEC. 2. Part B of title III of the Public Health Service Act is amended by adding after section 316 the following new section:

58 Stat. 693;  
75 Stat. 824.  
42 USC 243-247a.

#### "GRANTS FOR INTENSIVE VACCINATION PROGRAMS

"SEC. 317. (a) There are hereby authorized to be appropriated \$14,000,000 for the fiscal year ending June 30, 1963, and \$11,000,000 each for the fiscal years ending June 30, 1964, and June 30, 1965, to enable the Surgeon General to make grants to States and, with the approval of the State health authority, to political subdivisions or instrumentalities of the States under this section. Amounts appropriated pursuant to this section for the fiscal years ending June 30, 1963, and June 30, 1964, shall be available for making such grants during the fiscal year for which appropriated and the succeeding fiscal year. Such grants may be used to pay that portion of the cost of intensive community vaccination programs against poliomyelitis, diphtheria, whooping cough, and tetanus which is reasonably attributable to (1) purchase of vaccines needed to protect children under the age of five years and such additional groups of children as may be described in regulations of the Surgeon General upon his finding that they are not normally served by school vaccination programs and (2) salaries and related expenses of additional State and local health personnel needed for planning, organizational, and promotional activities in connection with such programs, including studies to determine the immunization needs of communities and the means of best meeting such needs, and personnel and related expenses needed to maintain additional epidemiologic and laboratory surveillance occasioned by such programs.

"(b) For purposes of this section an 'intensive community vaccination program' means a program of limited duration which is so designed and conducted as to achieve, with the cooperation of practicing physicians, official health agencies, voluntary organizations, and volunteers, the immunization against poliomyelitis, diphtheria, whooping

"Intensive community vaccination program."



cough, and tetanus over the period of the program of all, or practically all, susceptible persons in a community, particularly children who are under the age of five years, and which includes plans and measures looking toward the strengthening of ongoing community programs for the immunization against such diseases of infants and for maintenance of immunity in the remainder of the population. Nothing in this section shall be construed to require any State or any political subdivision or instrumentality of a State to have an intensive community vaccination program which would require any person who objects to immunization to be immunized or to have any child or ward of his immunized.

Method of payment.

“(c) (1) Payments under this section may be made in advance or by way of reimbursement, in such installments, and on such terms and conditions as the Surgeon General finds necessary to carry out the purposes of this section, and the Surgeon General may, if the applicant State or other political subdivision or instrumentality so requests, purchase and furnish vaccines in lieu of making money grants for the purchase thereof.

Vaccines to private physicians.

“(2) Each applicant under this section for a money grant for the purchase of vaccines, or for a grant of vaccines in lieu of a money grant, for use in connection with an intensive community vaccination program shall, at the time it files its application with the Surgeon General, provide the Surgeon General with assurances satisfactory to him that it will, if it receives such a grant, furnish any physician, who practices in the area in which such program is to be carried out and makes application therefor to it, with such amounts of vaccines as are reasonably necessary in order to permit such physician during the period of such program to immunize his patients who are in the group for whose immunization such grant of money or vaccines is made.

“(3) Each applicant for a grant under this section for use in connection with an intensive community vaccination program shall, at the time it files its application for such grant with the Surgeon General, provide the Surgeon General with assurances satisfactory to him that it will, if it receives such grant, furnish such other services and materials as may be necessary to carry out such program.

Reduction of grant.

“(d) The Surgeon General, at the request of a State or other public agency, may reduce the grant to such agency under this section by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee of the Public Health Service to such agency when such detail is made for the convenience of and at the request of such agency and for the purpose of carrying out a function for which a grant is made under this section. The amount by which such grant is so reduced shall be available for payment of such costs by the Surgeon General, but shall, for purposes of subsection (c), be deemed to have been paid to such agency.

42 USC 701-731; 29 USC 45b.

“(e) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to a political subdivision of a State under title V of the Social Security Act, other provisions of this Act, or other Federal law and which are available for the purchase of vaccine or for organizing, promoting, conducting, or participating in immunization programs, from being used for such purposes in connection with programs assisted through grants under this section.”

Approved October 23, 1962.

## Public Law 87-869

## AN ACT

To facilitate the work of the Forest Service, and for other purposes.

October 23, 1962  
[H. R. 12434]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That where lands under the jurisdiction of the Forest Service have been acquired and are being administered under laws which contain no provision for their exchange, the Secretary of Agriculture may convey such lands and in exchange therefor may accept on behalf of the United States title to any lands which in his opinion are suitable for use in connection with activities of the Forest Service. The value of the lands so conveyed by the Secretary of Agriculture shall not exceed the value of the lands accepted by him.

Forest Service.  
Administration  
of lands.

SEC. 2. The Act of July 8, 1943 (57 Stat. 388), as amended (5 U.S.C. 567), is further amended by striking out the words "within twenty years".

66 Stat. 11.

SEC. 3. Not to exceed \$35,000 annually of funds available to the Forest Service may be expended for providing recreation facilities, equipment, and services for use by employees of the Service located at isolated situations and, where deemed to be in the public interest, by members of the immediate families of such employees.

Recreation fa-  
cilities.

SEC. 4. The Act of June 11, 1906 (34 Stat. 233), as amended and supplemented (16 U.S.C. 506-508, 509), is hereby repealed.

Repeal.

SEC. 5. The provision of the Act of August 10, 1912 (37 Stat. 269, 287; 16 U.S.C. 489), which reads, "That the Secretary of Agriculture, under such rules and regulations as he shall establish, is hereby authorized and directed to sell at actual cost, to homestead settlers and farmers, for their domestic use, the mature, dead, and down timber in national forests, but it is not the intent of this provision to restrict the authority of the Secretary of Agriculture to permit the free use of timber as provided in the Act of June fourth, eighteen hundred and ninety-seven" is repealed.

SEC. 6. The Act of June 4, 1897 (30 Stat. 11, 35; 16 U.S.C. 551) is amended by deleting from the second full paragraph on page 35 the portion thereof reading "as is provided for in the Act of June fourth, eighteen hundred and eighty-eight, amending section fifty-three hundred and eighty-eight of the Revised Statutes of the United States" and inserting in lieu thereof "by a fine of not more than \$500 or imprisonment for not more than six months, or both".

SEC. 7. Section 32(f) of the Act of July 22, 1937 (50 Stat. 526; 7 U.S.C. 1011(f)) is amended to make the last sentence thereof read as follows: "Any violation of such rules and regulations shall be punished by a fine of not more than \$500 or imprisonment for not more than six months, or both".

SEC. 8. Section 2 of the Act of May 27, 1930 (46 Stat. 387; 16 U.S.C. 574) is amended by changing the amount in the proviso from \$500 to \$2,500.

SEC. 9. Funds available to the Forest Service shall be available for expenses of, or payment of assessment for, construction of sidewalks, curbs, or street paving along the boundary of Government-owned residential or otherwise improved lots.

SEC. 10. Section 13 of the Department of Agriculture Organic Act of 1956 (70 Stat. 1034; 16 U.S.C. 579b) is hereby amended by deleting from the second sentence thereof the comma after the word "assets" and the words "but such capitalization shall not exceed \$25,000,000."

Approved October 23, 1962.

## Public Law 87-870

October 23, 1962  
[H. R. 12599]

## AN ACT

Relating to the income tax treatment of terminal railroad corporations and their shareholders, and for other purposes.

Terminal rail-  
road corporations.  
Income tax.  
68A Stat. 17.  
26 USC 61 et  
seq.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to computation of taxable income) is amended by adding at the end thereof the following new part:

**“PART X—TERMINAL RAILROAD CORPORATIONS AND THEIR SHAREHOLDERS**

“Sec. 281. Terminal railroad corporations and their shareholders.

**“SEC. 281. TERMINAL RAILROAD CORPORATIONS AND THEIR SHAREHOLDERS.**

**“(a) COMPUTATION OF TAXABLE INCOME OF TERMINAL RAILROAD CORPORATIONS.—**

“(1) **IN GENERAL.**—In computing the taxable income of a terminal railroad corporation—

“(A) such corporation shall not be considered to have received or accrued—

“(i) the portion of any liability of any railroad corporation, with respect to related terminal services provided by such corporation, which is discharged by crediting such liability with an amount of related terminal income, or

“(ii) the portion of any charge which would be made by such corporation for related terminal services provided by it, but which is not made as a result of taking related terminal income into account in computing such charge; and

“(B) no deduction otherwise allowable under this chapter shall be disallowed as a result of any discharge of liability described in subparagraph (A) (i) or as a result of any computation of charges in the manner described in subparagraph (A) (ii).

“(2) **LIMITATION.**—In the case of any taxable year ending after the date of the enactment of this section, paragraph (1) shall not apply to the extent that it would (but for this paragraph) operate to create (or increase) a net operating loss for the terminal railroad corporation for the taxable year.

“(b) **COMPUTATION OF TAXABLE INCOME OF SHAREHOLDERS.**—Subject to the limitation in subsection (a) (2), in computing the taxable income of any shareholder of a terminal railroad corporation, no amount shall be considered to have been received or accrued or paid or incurred by such shareholder as a result of any discharge of liability described in subsection (a) (1) (A) (i) or as a result of any computation of charges in the manner described in subsection (a) (1) (A) (ii).

“(c) **AGREEMENT REQUIRED.**—In the case of any taxable year, subsections (a) and (b) shall apply with respect to any discharge of liability described in subsection (a) (1) (A) (i), and to any computation of charges in the manner described in subsection (a) (1) (A) (ii), only if such discharge or computation (as the case may be) was provided for in a written agreement, to which all of the shareholders of the terminal railroad corporation were parties, entered into before the beginning of such taxable year.

“(d) DEFINITIONS.—For purposes of this section—

“(1) TERMINAL RAILROAD CORPORATION.—The term ‘terminal railroad corporation’ means a domestic railroad corporation which is not a member, other than as a common parent corporation, of an affiliated group (as defined in section 1504) and—

68A Stat. 369.  
26 USC 1504.

“(A) all of the shareholders of which are domestic railroad corporations subject to part I of the Interstate Commerce Act;

24 Stat. 379.  
49 USC 27.

“(B) the primary business of which is the providing of railroad terminal and switching facilities and services to domestic railroad corporations subject to part I of the Interstate Commerce Act and to the shippers and passengers of such railroad corporations;

“(C) a substantial part of the services of which for the taxable year is rendered to one or more of its shareholders; and

“(D) each shareholder of which computes its taxable income on the basis of a taxable year beginning or ending on the same day that the taxable year of the terminal railroad corporation begins or ends.

“(2) RELATED TERMINAL INCOME.—The term ‘related terminal income’ means the income (determined in accordance with regulations prescribed by the Secretary or his delegate) of a terminal railroad corporation derived—

“(A) from services or facilities of a character ordinarily and regularly provided by terminal railroad corporations for railroad corporations or for the employees, passengers, or shippers of railroad corporations;

“(B) from the use by persons other than railroad corporations of portions of a facility, or a service, which is used primarily for railroad purposes;

“(C) from any railroad corporation for services or facilities provided by such terminal railroad corporation in connection with railroad operations; and

“(D) from the United States in payment for facilities or services in connection with mail handling.

For purposes of subparagraph (B), a substantial addition, constructed after the date of the enactment of this section, to a facility shall be treated as a separate facility.

“(3) RELATED TERMINAL SERVICES.—The term ‘related terminal services’ includes only services, and the use of facilities, taken into account in computing related terminal income.

“(e) APPLICATION TO TAXABLE YEARS ENDING BEFORE THE DATE OF ENACTMENT.—In the case of any taxable year ending before the date of the enactment of this section—

“(1) this section shall apply only to the extent that the taxpayer computed on its return, filed at or prior to the time (including extensions thereof) that the return for such taxable year was required to be filed, its taxable income in the manner described in subsection (a) in the case of a terminal railroad corporation, or in the manner described in subsection (b) in the case of a shareholder of a terminal railroad corporation; and

“(2) this section shall apply to a taxable year for which the assessment of any deficiency, or for which refund or credit of any overpayment, whichever is applicable, was prevented, on the date of the enactment of this section, by the operation of any law or rule of law (other than section 3760 of the Internal Revenue Code of 1939 or section 7121 of this title, relating to closing agree-

53 Stat. 462.  
68A Stat. 849.  
26 USC 7121.

53 Stat. 462.  
68A Stat. 849.  
26 USC 7122.

ments, and section 3761 of the Internal Revenue Code of 1939 or section 7122 of this title, relating to compromises), only—

“(A) to the extent any overpayment of income tax would result from the recomputation of the taxable income of a terminal railroad corporation in the manner described in subsection (a),

“(B) if claim for credit or refund of such overpayment, based upon such recomputation, is filed prior to one year after the date of the enactment of this section,

“(C) to the extent that paragraph (1) applies, and

“(D) if each shareholder of such terminal railroad corporation consents in writing to the assessment, within such period as may be agreed upon with the Secretary or his delegate, of any deficiency for any year to the extent attributable to the recomputation of its taxable income in the manner described in subsection (b) correlative to its allocable share of the adjustment of taxable income made by the terminal railroad corporation in its recomputation under subparagraph (A).

“(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.”

(b) The table of parts for subchapter B of chapter 1 of such Code is amended by adding at the end thereof the following:

“Part X. Terminal railroad corporations and their shareholders.”

Effective date.

SEC. 2. (a) The amendments made by the first section of this Act shall apply with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

Internal Revenue  
Code of 1939.  
Effect of pro-  
visions.

(b) Provisions having the same effect as section 281 of the Internal Revenue Code of 1954 (as added by the first section of this Act) shall be deemed to be included in the Internal Revenue Code of 1939, effective with respect to all taxable years to which such Code applies.

68A Stat. 895.  
26 USC 7501 et  
seq.

SEC. 3. (a) (1) Chapter 77 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new sections:

**“SEC. 7515. SPECIAL STATISTICAL STUDIES AND COMPILATIONS AND OTHER SERVICES ON REQUEST.**

“The Secretary or his delegate is authorized within his discretion, upon written request, to make special statistical studies and compilations involving data from any returns, declarations, statements, or other documents required by this title or by regulations or from any records established or maintained in connection with the administration and enforcement of this title, to engage in any such special study or compilation jointly with the party or parties requesting it, and to furnish transcripts of any such special study or compilation, upon the payment, by the party or parties making the request, of the cost of the work or services performed for such party or parties.

**“SEC. 7516. SUPPLYING TRAINING AND TRAINING AIDS ON REQUEST.**

“The Secretary or his delegate is authorized within his discretion, upon written request, to admit employees and officials of any State, the Commonwealth of Puerto Rico, any possession of the United States, any political subdivision or instrumentality of any of the foregoing, the District of Columbia, or any foreign government to training courses conducted by the Internal Revenue Service, and to supply them with texts and other training aids. The Secretary or his delegate may require payment from the party or parties making the request of a reasonable fee not to exceed the cost of the training and training aids supplied pursuant to such request.”

(2) The table of sections for chapter 77 is amended by adding at the end thereof the following new items:

"Sec. 7515. Special statistical studies and compilations and other services on request.

"Sec. 7516. Supplying training and training aids on request."

(b) Section 7809 of the Internal Revenue Code of 1954 (relating to deposit of collections) is amended—

68A Stat. 918.  
26 USC 7809.

(1) by striking out "subsection (b)," in subsection (a) and inserting in lieu thereof "subsections (b) and (c) and in", and

(2) by adding at the end thereof the following new subsection:

"(c) DEPOSIT OF CERTAIN RECEIPTS.—Moneys received in payment for—

"(1) Work or services performed pursuant to section 7515 (relating to special statistical studies and compilations and other services on request);

*Ante*, p. 1160.

"(2) work or services performed (including materials supplied) pursuant to section 7516 (relating to the supplying of training and training aids on request); and

*Ante*, p. 1160.

"(3) other work or services performed for a State or a department or agency of the Federal Government (subject to all provisions of law and regulations governing disclosure of information) in supplying copies of, or data from, returns, statements, or other documents filed under authority of this title or records maintained in connection with the administration and enforcement of this title,

shall be deposited in a separate account which may be used to reimburse appropriations which bore all or part of the costs of such work or services, or to refund excess sums when necessary."

SEC. 4. Section 6512(b) (2) of the Internal Revenue Code of 1954 (relating to limit on amount of credit or refund of overpayment determined by the Tax Court) is amended by striking out "or" at the end of subparagraph (A); by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", or"; and by adding after subparagraph (B) the following new subparagraph:

68A Stat. 811.  
26 USC 6512.

"(C) within the period which would be applicable under section 6511 (b) (2), (c), or (d), in respect of any claim for refund filed within the applicable period specified in section 6511 and before the date of the mailing of the notice of deficiency—

26 USC 6511.

"(i) which had not been disallowed before that date,

"(ii) which had been disallowed before that date and in respect of which a timely suit for refund could have been commenced as of that date, or

"(iii) in respect of which a suit for refund had been commenced before that date and within the period specified in section 6532."

26 USC 6532.

SEC. 5. (a) Section 7701(a) of the Internal Revenue Code of 1954 is amended by adding after paragraph (31) the following new paragraph:

*Ante*, p. 988;  
26 USC 7701.

"(32) COOPERATIVE BANK.—The term 'cooperative bank' means an institution without capital stock organized and operated for mutual purposes and without profit, which—

"(A) either—

"(i) is an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)), or

48 Stat. 1255.

"(ii) is subject by law to supervision and examination by State or Federal authority having supervision over such institutions, and

Ante, p. 983.

“(B) meets the requirements of subparagraphs (B), (C), (D), (E), and (F) of paragraph (19) of this subsection (relating to definition of domestic building and loan association) determined with the application of the second, third, and fourth sentences of paragraph (19).”

In determining whether an institution meets the requirements referred to in subparagraph (B) of this paragraph, any reference to an association or to a domestic building and loan association contained in paragraph (19) shall be deemed to be a reference to such institution. In the case of an institution which, for the taxable year, is a cooperative bank within the meaning of the first sentence of this paragraph by reason of the application of the second and third sentences of paragraph (19) of this subsection, the deduction otherwise allowable under section 166(c) for a reasonable addition to the reserve for bad debts shall, under regulations prescribed by the Secretary or his delegate, be reduced in a manner consistent with the reductions provided by the table contained in section 593(b)(5).”

68A Stat. 50.  
26 USC 166.

Ante, p. 979.  
Effective date.

(b) The amendment made by subsection (a) of this section shall apply with respect to taxable years beginning after the date of the enactment of the Revenue Act of 1962.

Approved October 23, 1962.

## Public Law 87-871

October 23, 1962  
[H. R. 10002]

### AN ACT

For the relief of civilian employees of the New York Naval Shipyard and the San Francisco Naval Shipyard erroneously in receipt of certain wages due to a misinterpretation of a Navy civilian personnel instruction.

Naval ship-  
yards, New York  
and San Francisco.  
Relief of certain  
civilian employ-  
ees.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That civilian employees and former civilian employees of the New York Naval Shipyard and the San Francisco Naval Shipyard are relieved of all liability to refund to the United States the amounts, which were otherwise correct, and which occurred without fault on their part, erroneously received by them after June 1, 1960, and before March 1, 1962, caused by a premature within-grade advancement based upon a misinterpretation of Navy Civilian Personnel Instruction 552 entitled “Salary and Wage Changes”. Any employee or former employee who has at any time made repayment to the United States of any amount paid to him as a result of this misinterpretation is entitled to have refunded to him the amount repaid provided application is made within one year.

SEC. 2. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 3. Appropriations available for the pay of civilian personnel of the Navy are available for refunds under this Act.

Approved October 23, 1962.

## Public Law 87-872

## AN ACT

Making appropriations for Foreign Aid and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

October 23, 1962  
[H. R. 13175]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1963, namely:

Foreign Aid and  
Related Agencies  
Appropriation Act,  
1963.

## TITLE I—FOREIGN AID (MUTUAL SECURITY)

## FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, as amended, to remain available until June 30, 1963, unless otherwise specified herein, as follows:

75 Stat. 424.  
22 USC 2151  
note.

## ECONOMIC ASSISTANCE

Development grants: For expenses authorized by section 212, \$225,000,000.

*Ante*, p. 256.  
22 USC 2172.

American hospitals abroad (special foreign currency program): For assistance authorized by section 214(b) for hospital construction, \$2,800,000, to be used to purchase foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States.

22 USC 2174.

Investment guaranties: For expenses authorized by section 222(f), \$30,000,000, to remain available until expended.

*Ante*, p. 257.  
22 USC 2182.

International organizations and programs: For expenses authorized by section 302, \$148,900,000: *Provided*, That no part of any other appropriation contained in this Act, except funds appropriated under this Act for the contingency fund (not to exceed \$10,000,000), may be used to augment funds or programs contained in this paragraph and no funds shall be transferred from funds appropriated under any other paragraph of title I of this Act to the contingency fund for the purpose of augmenting funds or programs contained in this paragraph.

*Ante*, p. 259.  
22 USC 2222.

Supporting assistance: For expenses authorized by section 402, \$395,000,000.

*Ante*, p. 259.  
22 USC 2242.

Contingency fund: For expenses authorized by section 451(a), \$250,000,000.

*Ante*, p. 259.  
22 USC 2261.

Alliance for Progress, development loans: For assistance authorized by section 252, \$425,000,000, to remain available until expended.

*Ante*, p. 258.

Alliance for Progress, development grants: For expenses authorized by section 252, \$100,000,000.

Development loans: For expenses authorized by section 202(a), \$975,000,000, to remain available until expended.

22 USC 2162.

Administrative expenses: For expenses authorized by section 637(a), \$49,500,000.

*Ante*, p. 262.  
22 USC 2397.

Administrative and other expenses: For expenses authorized by section 637(b) of the Foreign Assistance Act of 1961, as amended, and by section 305 of the Mutual Defense Assistance Control Act of 1951, as amended, \$2,700,000.

75 Stat. 463.  
22 USC 1613d.



## MILITARY ASSISTANCE

22 USC 2312.  
22 USC 2396.

Military assistance: For expenses authorized by section 504(a) of the Foreign Assistance Act of 1961, as amended, including administrative expenses authorized by section 636(g) (1) of such Act, which shall not exceed \$24,500,000 for the current fiscal year, and purchase of passenger motor vehicles for replacement only for use outside the United States, \$1,325,000,000: *Provided*, That none of the funds contained in this paragraph shall be available for the purchase of new automotive vehicles outside of the United States.

22 USC 2251  
note.

Unobligated balances as of June 30, 1962, of funds heretofore made available under the authority of the Foreign Assistance Act of 1961, as amended, are, except as otherwise provided by law, hereby continued available for the fiscal year 1963 for the same general purposes for which appropriated and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Mutual Security Act of 1954, as amended, and the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Economic Assistance", are hereby continued available for the same period as the respective appropriations in such subparagraphs for the same general purpose: *Provided*, That such purpose relates to a project previously justified to Congress and the Committees on Appropriations of the House of Representatives and the Senate are notified prior to the reobligation of funds for such projects and no objection is entered by either Committee within 60 days of such notification.

68 Stat. 830.  
31 USC 200.

22 USC 1751  
note.  
22 USC 2151  
note.

Notification of  
congressional  
committees.

## GENERAL PROVISIONS

Flood control  
and reclamation  
programs, etc.

SEC. 101. None of the funds herein appropriated (other than funds appropriated under the authorization for "International organizations and programs") shall be used to finance the construction of any new flood control, reclamation, or other water or related land resource project or program which has not met the standards and criteria used in determining the feasibility of flood control, reclamation and other water and related land resource programs and projects proposed for construction within the United States of America as per memorandum of the President dated May 15, 1962.

Engineering and  
architectural fees.  
Reports to Con-  
gress.

SEC. 102. Obligations made from funds herein appropriated for engineering and architectural fees and services to any individual or group of engineering and architectural firms on any one project in excess of \$25,000 shall be reported to the Committees on Appropriations of the Senate and House of Representatives at least twice annually.

Restrictions.

SEC. 103. Except for the appropriations entitled "Contingency fund" and "Development loans", not more than 20 per centum of any appropriation item made available by this title shall be obligated and/or reserved during the last month of availability.

SEC. 104. None of the funds herein appropriated nor any of the counterpart funds generated as a result of assistance hereunder or any prior Act shall be used to pay pensions, annuities, retirement pay or adjusted service compensation for any persons heretofore or hereafter serving in the armed forces of any recipient country.

Seating of Com-  
munist China in  
UN.  
Opposition.

SEC. 105. The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China, and it is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to repre-

sent China in the United Nations. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

SEC. 106. It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine.

Distinctions because of race or religion.

SEC. 107. (a) No assistance shall be furnished to any country which sells, furnishes, or permits any ships under its registry to carry to Cuba, so long as it is governed by the Castro regime, under the Foreign Assistance Act of 1961, as amended, any arms, ammunition, implements of war, atomic energy materials, or any articles, materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.

Cuba.  
Restrictions on assistance to certain countries.  
22 USC 2151 note.

(b) No economic assistance shall be furnished to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba so long as it is governed by the Castro regime, under the Foreign Assistance Act of 1961, as amended, unless the President determines that the withholding of such assistance would be contrary to the national interest and reports such determination to the Foreign Relations and Appropriations Committees of the Senate and the Foreign Affairs and Appropriations Committees of the House of Representatives. Reports made pursuant to this subsection shall be published in the Federal Register within seven days of submission to the committees and shall contain a statement by the President of the reasons for such determination.

65 Stat. 645.  
22 USC 1611 note.  
Presidential determinations.

Reports to Congress.

Publication in F. R.

SEC. 108. Any obligation made from funds provided in this title for procurement outside the United States of any commodity in bulk and in excess of \$100,000 shall be reported to the Committees on Appropriations of the Senate and the House of Representatives at least twice annually: *Provided*, That each such report shall state the reasons for which the President determined, pursuant to criteria set forth in section 604(a) of the Foreign Assistance Act of 1961, as amended, that foreign procurement will not adversely affect the economy of the United States.

Procurement outside U.S.  
Reports to Congress.

22 USC 2354.

SEC. 109. (a) No assistance shall be furnished to any nation, whose government is based upon that theory of government known as Communism under the Foreign Assistance Act of 1961, as amended, for any arms, ammunition, implements of war, atomic energy materials, or any articles, materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.

Communist nations.  
Restriction on military assistance.

(b) No economic assistance shall be furnished to any nation whose government is based upon that theory of government known as Com-

22 USC 1611 note.  
Restriction on economic assistance.

22 USC 2174.

Reports to Congress.

Publication in F. R.

Procurement contracts.  
Termination clause.U.S. citizens.  
Security clearances.  
22 USC 2151  
note.

Approval of contracts.

22 USC 2201.

UN dues.

Foreign currencies.  
7 USC 1704.

munism under the Foreign Assistance Act of 1961, as amended (except section 214(b)), unless the President determines that the withholding of such assistance would be contrary to the national interest and reports such determination to the Foreign Affairs and Appropriations Committees of the House of Representatives and Foreign Relations and Appropriations Committees of the Senate. Reports made pursuant to this subsection shall be published in the Federal Register within seven days of submission to the committees and shall contain a statement by the President of the reasons for such determination.

SEC. 110. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used for making payments on any contract for procurement to which the United States is a party entered into after the date of enactment of this Act which does not contain a provision authorizing the termination of such contract for the convenience of the United States.

SEC. 111. None of the funds appropriated or made available under this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to make payments with respect to any contract for the performance of services outside the United States by United States citizens where such citizens have not been investigated for loyalty and security in the same manner and to the same extent as would apply if they were regularly employed by the United States.

SEC. 112. None of the funds appropriated or made available under this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to make payments with respect to any capital project financed by loans or grants from the United States where the United States has not directly approved the terms of the contracts and the firms to provide engineering, procurement, and construction services on such project.

SEC. 113. Of the funds appropriated or made available pursuant to this Act not more than \$6,000,000 may be used during the fiscal year ending June 30, 1963, in carrying out section 241 of the Foreign Assistance Act of 1961, as amended.

SEC. 114. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to pay in whole or in part any assessments, arrearages or dues of any member of the United Nations.

SEC. 115. Foreign currencies not to exceed \$200,000, made available for loans pursuant to section 104(e) of the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be available during the current fiscal year for expenses incurred incident to such loans.

## TITLE II—FOREIGN AID (OTHER)

### FUNDS APPROPRIATED TO THE PRESIDENT

#### PEACE CORPS

22 USC 2501.

For expenses necessary to enable the President to carry out the provisions of the Peace Corps Act (75 Stat. 612), including purchase of not to exceed ten passenger motor vehicles for use outside the United States, \$59,000,000, of which not to exceed \$15,500,000 shall be available for administration and program support costs.

## DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

## RYUKYU ISLANDS, ARMY

## ADMINISTRATION

For expenses, not otherwise provided for, necessary to meet the responsibilities and obligations of the United States in connection with the government of the Ryukyu Islands, as authorized by the Act of July 12, 1960 (74 Stat. 461); services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), of individuals not to exceed ten in number; not to exceed \$3,500 for contingencies for the High Commissioner, to be expended in his discretion; hire of passenger motor vehicles and aircraft; purchase of four passenger motor vehicles for replacement only; and construction, repair, and maintenance of buildings, utilities, facilities, and appurtenances; \$8,900,000, of which not to exceed \$1,950,000 shall be available for administrative and information expenses: *Provided*, That expenditures from this appropriation may be made outside continental United States when necessary to carry out its purposes, without regard to sections 355 and 3648, Revised Statutes, as amended, section 4774(d) of title 10, United States Code, civil service or classification laws, or provisions of law prohibiting payment of any person not a citizen of the United States: *Provided further*, That funds appropriated hereunder may be used, insofar as practicable, and under such rules and regulations as may be prescribed by the Secretary of the Army to pay ocean transportation charges from United States ports, including territorial ports, to ports in the Ryukyus for the movement of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid or of relief packages consigned to individuals residing in such areas: *Provided further*, That the President may transfer to any other department or agency any function or functions provided for under this appropriation, and there shall be transferred to any such department or agency without reimbursement and without regard to the appropriation from which procured, such property as the Director of the Bureau of the Budget shall determine to relate primarily to any function or functions so transferred.

60 Stat. 810.

40 USC 255.  
31 USC 529.  
70A Stat. 269.

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## ASSISTANCE TO REFUGEES IN THE UNITED STATES

For expenses necessary to carry out the provisions of the Migration and Refugee Assistance Act of 1962 (Public Law 87-510), relating to aid to refugees within the United States, including hire of passenger motor vehicles, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$70,110,000: *Provided*, That this appropriation shall reimburse other current applicable appropriations for activities conducted after June 30, 1962, pursuant to section 7 of the Migration and Refugee Assistance Act of 1962.

Ante, p. 121.

60 Stat. 810.

## DEPARTMENT OF STATE

## MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide assistance to refugees, as authorized by law, including contributions to the Intergovernmental Committee for European Migration and the United Nations High Commissioner for Refugees; salaries, expenses, and allowances of personnel and depend-

*Ante*, p. 861.

60 Stat. 810.

*Ante*, p. 124.

ents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); hire of passenger motor vehicles; and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$14,947,000: *Provided*, That this appropriation shall reimburse other applicable appropriations for activities conducted after June 30, 1962, pursuant to section 7 of the Migration and Refugee Assistance Act of 1962: *Provided further*, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere.

#### FUNDS APPROPRIATED TO THE PRESIDENT

##### INVESTMENT IN INTER-AMERICAN DEVELOPMENT BANK

For payment of subscriptions to the Inter-American Development Bank, to remain available until expended, \$60,000,000 for the third installment on paid-in capital stock.

##### SUBSCRIPTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment of the third installment of the subscription of the United States to the International Development Association, \$61,656,000, to remain available until expended.

### TITLE III—INTERNATIONAL MONETARY FUND

#### FUNDS APPROPRIATED TO THE PRESIDENT

##### LOANS TO THE INTERNATIONAL MONETARY FUND

*Ante*, p. 105.

For loans to the International Monetary Fund, as authorized by the Act of June 19, 1962 (Public Law 87-490), \$2,000,000,000, to remain available until expended. The indefinite appropriation for the payment of interest on the public debt (31 U.S.C. 711), shall be available for the payment of charges in connection with any purchases of currencies or gold by the United States from the International Monetary Fund.

### TITLE IV—EXPORT-IMPORT BANK OF WASHINGTON

61 Stat. 584.  
31 USC 849.

The Export-Import Bank of Washington is hereby authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation, except as hereinafter provided:

## LIMITATION ON OPERATING EXPENSES

Not to exceed \$1,295,000,000 (of which not to exceed \$750,000,000 shall be for development loans) shall be authorized during the current fiscal year for other than administrative expenses.

## LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$3,000,000 (to be computed on an accrual basis) shall be available during the current fiscal year for administrative expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a) at rates not to exceed \$75 per diem for individuals, and not to exceed \$9,000 for entertainment allowances for members of the Board of Directors: *Provided*, That (1) fees or dues to international organizations of credit institutions engaged in financing foreign trade, (2) necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Bank or in which it has an interest, including expenses of collections of pledged collateral, or the investigation or appraisal of any property in respect to which an application for a loan has been made, and (3) expenses (other than internal expenses of the Bank) incurred in connection with the issuance and servicing of guarantees, insurance, and reinsurance shall be considered as nonadministrative expenses for the purposes hereof.

60 Stat. 810.

## TITLE V—MISCELLANEOUS AGENCIES

## FOREIGN CLAIMS SETTLEMENT COMMISSION

## PAYMENT OF PHILIPPINE WAR DAMAGE CLAIMS

For the payment of the unpaid balance of awards for war damage compensation heretofore made by the Philippine War Damage Commission, as authorized by law, \$73,000,000, to remain available until expended, of which \$500,000 shall be available for "Salaries and expenses", including an additional amount of not to exceed \$25,000 for expenses of travel.

*Ante*, p. 411.

## UNITED STATES INFORMATION AGENCY

## ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for "Acquisition and construction of radio facilities", \$1,600,000, to remain available until expended.

## DEPARTMENT OF STATE

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

## International Conferences and Contingencies

For an additional amount for "International conferences and contingencies", \$849,000.

## TITLE VI—GENERAL PROVISIONS

Publicity or  
propaganda.

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

Inspector Gen-  
eral, Foreign As-  
sistance.

SEC. 602. None of the funds herein appropriated shall be used for expenses of the Inspector General, Foreign Assistance, after the expiration of the thirty-five day period which begins on the date the General Accounting Office or any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering foreign assistance legislation, appropriations, or expenditures, has delivered to the office of the Inspector General, Foreign Assistance, a written request that it be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in the custody or control of the Inspector General, Foreign Assistance relating to any review, inspection, or audit arranged for, directed, or conducted by him, unless and until there has been furnished to the General Accounting Office or to such committee or subcommittee, as the case may be, (A) the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested or (B) a certification by the President, personally, that he has forbidden the furnishing thereof pursuant to such request and his reason for so doing.

Short title.

SEC. 603. This Act may be cited as the "Foreign Aid and Related Agencies Appropriation Act, 1963."

Approved October 23, 1962.

## Public Law 87-873

## AN ACT

To increase the jurisdiction of the Municipal Court for the District of Columbia in civil actions, to change the names of the court, and for other purposes.

October 23, 1962  
[H. R. 12708]

District of Co-  
lumbia Court of  
General Sessions.  
Designation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the court established by the first section of the Act entitled "An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'the Municipal Court for the District of Columbia', to create 'the Municipal Court of Appeals for the District of Columbia', and for other purposes", approved April 1, 1942, as amended (56 Stat. 190; D.C. Code, sec. 11-751), hereafter shall be known as the "District of Columbia Court of General Sessions". Whenever reference is made in any Act of Congress (other than this Act or the amendments made by this Act) or in any regulation to the Municipal Court for the District of Columbia, such reference shall be held to be a reference to the District of Columbia Court of General Sessions.

SEC. 2. Subsection (a) of section 4 of such Act, approved April 1, 1942, as amended (D.C. Code, sec. 11-755(a)), is amended to read as follows:

Powers and  
jurisdiction.

"(a) The District of Columbia Court of General Sessions, as established by this Act, shall consist of the criminal, civil, and small claims and conciliation, and domestic relations branches. The court and each judge thereof shall have and exercise the same powers and jurisdiction as were heretofore had or exercised by the Municipal Court for the District of Columbia or the judges thereof on the day before the effective date of this amendatory subsection, and in addition the said court shall have exclusive jurisdiction of civil actions commenced after the effective date of this amendatory subsection, including such actions against executors, administrators and other fiduciaries, in which the claimed value of personal property or the debt or damages claimed, does not exceed the sum of \$10,000 exclusive of interest and costs, and, in addition, shall have jurisdiction of all cross-claims and counter-claims interposed in all actions over which it has jurisdiction regardless of the amount involved: *Provided, however,* That nothing herein shall deprive the United States District Court for the District of Columbia of jurisdiction over counterclaims, cross-claims, or any other claims whether or not arising out of the same transaction or occurrence and interposed in actions over which the United States District Court for the District of Columbia has jurisdiction. The District of Columbia Court of General Sessions shall also have jurisdiction over all cases properly pending in the Municipal Court for the District of Columbia on the effective date of this amendatory subsection."

SEC. 3. Subsection (a) of section 5 of such Act approved April 1, 1942, as amended (D.C. Code, sec. 11-756(a)), is amended to read as follows:

Transfer of ac-  
tions.  
56 Stat. 193.

"(a) If, in any action, other than an action for equitable relief, pending on the effective date of this amendatory subsection or thereafter commenced in the United States District Court for the District of Columbia, it shall appear to the satisfaction of the court at or subsequent to any pretrial hearing but prior to trial thereof that the action



will not justify a judgment in excess of \$10,000, the court may certify such action to the District of Columbia Court of General Sessions for trial. The pleadings in such action, together with a copy of the docket entries and of any orders theretofore entered therein, shall be sent to the clerk of the said Court of General Sessions, together with any deposit for costs, and the case shall be called for trial in that court promptly thereafter; and shall thereafter be treated as though it had been filed originally in the said Court of General Sessions, except that the jurisdiction of that court shall extend to the amount claimed in such action, even though it exceed the sum of \$10,000."

SEC. 4. Subsection (c) of section 5 of such Act approved April 1, 1942, as amended (D.C. Code, sec. 11-756(c)), is amended to read as follows:

"(c) The District of Columbia Court of General Sessions shall have the power to compel the attendance of witnesses by attachment and any judge thereof shall have the power in any case or proceeding whether civil or criminal to punish for disobedience of any order, or contempt committed in the presence of the court by a fine not exceeding \$50 or imprisonment not exceeding thirty days. At the request of any party subpoenas for attendance at a hearing or trial in the District of Columbia Court of General Sessions shall be issued by the clerk of the said court. A subpoena may be served at any place within the District of Columbia, or at any place without the District of Columbia that is within one hundred miles of the place of the hearing or trial specified in the subpoena. The form, issuance and manner of service of a subpoena shall be as prescribed by Rule 45 of the Federal Rules of Civil Procedure."

SEC. 5. (a) Section 1114 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189; D.C. Code, sec. 11-1520), is hereby repealed.

(b) The paragraph relating to witness fees under the heading "District of Columbia" in the Act entitled "An Act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June thirtieth, nineteen hundred and two, and for prior years, and for other purposes", approved July 1, 1902 (32 Stat. 552, 561; D.C. Code, sec. 11-1520a), is amended by striking "cases in the police court of the District of Columbia" and inserting in lieu thereof "criminal cases in the District of Columbia Court of General Sessions".

(c) The fees and travel allowances to be paid any witness compelled by subpoena to attend any branch of the District of Columbia Court of General Sessions other than the criminal branch shall be the same amount as paid a witness compelled to attend before the United States District Court for the District of Columbia.

SEC. 6. The court established by section 6 of the Act of April 1, 1942 (56 Stat. 190; D.C. Code, sec. 11-771), hereafter shall be known as the "District of Columbia Court of Appeals". Wherever reference is made in any Act of Congress (other than this Act) or in any regulation to the Municipal Court of Appeals for the District of Columbia, such reference shall be held to be a reference to the District of Columbia Court of Appeals.

SEC. 7. This Act shall take effect on the first day of the first month which begins after the sixtieth day following the date of its enactment.

Approved October 23, 1962.

Witnesses,  
attendance.

28 USC app.  
Repeal.

31 Stat. 1367.  
Witness fees.

District of Co-  
lumbia Court of  
Appeals.  
Designation.

Effective date.

## Public Law 87-874

## AN ACT

Authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

October 23, 1962  
[H. R. 13273]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—RIVERS AND HARBORS

River and Harbor  
Act of 1962.

SEC. 101. That the following works of improvement of rivers and harbors and other waterways for navigation, flood control, and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers, in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in the respective reports hereinafter designated: *Provided*, That the provisions of section 1 of the River and Harbor Act approved March 2, 1945 (Public Law Numbered 14, Seventy-ninth Congress, first session), shall govern with respect to projects authorized in this title; and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto, shall apply as if herein set forth in full:

59 Stat. 10.

## NAVIGATION

Narraguagus River, Maine: House Document Numbered 530, Eighty-seventh Congress, at an estimated cost of \$500,000;

Maine.

Carvers Harbor, Vinalhaven, Maine: Senate Document Numbered 118, Eighty-seventh Congress, at an estimated cost of \$205,000;

Searsport Harbor, Maine: House Document Numbered 500, Eighty-seventh Congress, at an estimated cost of \$700,000;

Portland Harbor, Maine: House Document Numbered 216, Eighty-seventh Congress, at an estimated cost of \$8,340,000;

Kennebunk River, Maine: House Document Numbered 459, Eighty-seventh Congress, at an estimated cost of \$270,000;

Portsmouth Harbor and Piscataqua River, Maine and New Hampshire: House Document Numbered 482, Eighty-seventh Congress, at an estimated cost of \$7,500,000;

New Hampshire.

Gloucester Harbor, Massachusetts: House Document Numbered 341, Eighty-seventh Congress, at an estimated cost of \$1,100,000;

Massachusetts.

Marblehead Harbor, Massachusetts: House Document Numbered 516, Eighty-seventh Congress, at an estimated cost of \$1,752,000;

Chelsea Harbor, Massachusetts: House Document Numbered 350, Eighty-seventh Congress, at an estimated cost of \$2,843,000;

Dorchester Bay and Neponset River, Massachusetts: Senate Document Numbered 126, Eighty-seventh Congress, at an estimated cost of \$7,050,000;

Plymouth Harbor, Massachusetts: Senate Document Numbered 124, Eighty-seventh Congress, at an estimated cost of \$1,200,000;

Pawtuxet Cove, Rhode Island: House Document Numbered 236, Eighty-seventh Congress, at an estimated cost of \$210,000;

Rhode Island.

Great Lakes to Hudson River Waterway, New York: River and Harbor Committee Document Numbered 20, Seventy-third Congress, for the further partial accomplishment of the approved plan there is hereby authorized to be appropriated, in addition to sums previously authorized, \$1,000,000;

New York.

Little Neck Bay, New York: House Document Numbered 510, Eighty-seventh Congress, at an estimated cost of \$2,185,000;

Flushing Bay and Creek, New York: House Document Numbered 551, Eighty-seventh Congress, at an estimated cost of \$1,695,000;

Buttermilk Channel, New York: House Document Numbered 483, Eighty-seventh Congress, at an estimated cost of \$2,226,000;

New Jersey. Newark Bay, Hackensack and Passaic Rivers, New Jersey (channels to Port Elizabeth): Modification of the existing navigation project authorized by the River and Harbor Act of 1954 (Public Law 780, Eighty-third Congress), House Document Numbered 252, is hereby authorized substantially in accordance with the plans being prepared by the Chief of Engineers, subject to the approval of such plans by the Secretary of the Army and the President;

68 Stat. 1248. Raritan River, New Jersey: House Document Numbered 455, Eighty-sixth Congress, maintenance;

Virginia. Lynnhaven Inlet, Bay, and connecting waters, Virginia: House Document Numbered 580, Eighty-seventh Congress, at an estimated cost of \$1,068,000: *Provided*, That nothing in this Act shall be construed as authorizing reimbursement to local interests for the Long Creek-Broad Bay Canal Bridge;

Report to Congress. James River, Virginia: House Document Numbered 586, Eighty-seventh Congress, at an estimated cost of \$39,000,000: *Provided*, That this authorization shall expire after a period of five years from the date of approval of this Act unless the Governor of Virginia has endorsed the project within that time: *And provided further*, That prior to construction, there will be submitted to the Congress a feasibility report which takes account of possible adverse effects of the project on seed oyster production;

North Carolina. Rollinson Channel and channel from Hatteras Inlet to Hatteras, North Carolina: House Document Numbered 457, Eighty-seventh Congress, at an estimated cost of \$652,000;

Georgia. Wilmington Harbor, North Carolina: Senate Document Numbered 114, Eighty-seventh Congress, at an estimated cost of \$6,370,000;

Savannah Harbor, Georgia: Senate Document Numbered 115, Eighty-seventh Congress, at an estimated cost of \$605,000;

Florida. Canaveral Harbor, Florida: Senate Document Numbered 140, Eighty-seventh Congress, at the estimated cost of \$5,076,000;

Key West Harbor, Florida: Senate Document Numbered 106, Eighty-seventh Congress, at an estimated cost of \$820,000;

Tampa Harbor, Port Sutton and Ybor Channels, Florida: House Document Numbered 529, Eighty-seventh Congress, at an estimated cost of \$997,000;

Alabama. Pensacola Harbor, Florida: House Document Numbered 528, Eighty-seventh Congress, at an estimated cost of \$424,000;

Walter F. George lock and dam, Alabama: Senate Document Numbered 109, Eighty-seventh Congress, at an estimated cost of \$500,000;

Report to Congress. Holt lock and dam, Alabama: The Secretary of the Army is hereby authorized and directed to cause an immediate study to be made under the direction of the Chief of Engineers with a view to providing hydroelectric power generating facilities in said dam, and his report on such study shall be submitted to the Congress by the Secretary of the Army within the first period of sixty calendar days of continuous session of the Eighty-eighth Congress;

Mississippi. Pascagoula Harbor, Mississippi: House Document Numbered 560, Eighty-seventh Congress, at an estimated cost of \$4,870,000;

Louisiana. Mississippi River, Baton Rouge to Gulf of Mexico, Louisiana: Senate Document Numbered 36, Eighty-seventh Congress, at an estimated cost of \$357,000;

60 Stat. 635. The project, Mississippi River, Baton Rouge to the Gulf of Mexico, barge channel through Devils Swamp, Louisiana (Baton Rouge Harbor), authorized by the River and Harbor Act of 1946, in accord-

ance with the recommendations of the Chief of Engineers in House Document Numbered 321, Eightieth Congress, as amended by the Flood Control Act of 1948, is hereby further amended to provide for the provision as required, of suitable dikes and other retaining structures at a Federal cost of \$299,500, for the construction and future maintenance of the project, in order to provide additional industrial sites with water frontage which are now needed to permit the normal development and expansion of the industrial and commercial activities of the locality: *Provided*, That local interests contribute the sum of \$100,500 toward the cost of the work;

62 Stat. 1179.

Bayous Terrebonne, Petit Caillou, Grand Caillou, Du Large, and connecting channels, Louisiana, and Atchafalaya River, Morgan City to Gulf of Mexico: House Document Numbered 583, Eighty-seventh Congress, at an estimated cost of \$45,000;

Gulf Intracoastal Waterway, Louisiana and Texas: House Document Numbered 556, Eighty-seventh Congress, at an estimated cost of \$25,540,000: *Provided*, That the authority to make such modifications as in the discretion of the Chief of Engineers may be advisable, as set forth in House Document Numbered 556, Eighty-seventh Congress, shall be interpreted to apply to, but not limited to, the improvement of the existing channels at proposed channel relocation sites in lieu of such relocations;

Louisiana and Texas.

Calcasieu River salt water barrier, Louisiana: House Document Numbered 582, Eighty-seventh Congress, at an estimated cost of \$3,310,000: *Provided*, That the Corps of Engineers is directed to study the question of cost sharing taking into account that measures for mitigation of damages from navigation improvements will be a Federal responsibility and enhancement effects will be shared on the basis of a 50 per centum Federal and 50 per centum non-Federal; such cost sharing is hereby authorized as determined to be feasible and justified by the Chief of Engineers and Secretary of the Army within the first period of sixty calendar days of continuous session of the Congress after the date on which the report is submitted to it unless such report is disapproved by the Congress;

Report to Congress.

Mississippi River at Clarksville, Missouri: House Document Numbered 552, Eighty-seventh Congress, at an estimated cost of \$103,300;

Missouri.

Sandy Slough, Lincoln County, Missouri: House Document Numbered 419, Eighty-seventh Congress, at an estimated cost of \$195,000;

Sabine-Neches Waterway, Texas: House Document Numbered 553, Eighty-seventh Congress, at an estimated cost of \$20,830,000;

Texas.

Trinity River, Wallisville Reservoir, Texas: House Document Numbered 215, Eighty-seventh Congress, at an estimated cost of \$9,162,000: *Provided*, That nothing in this Act shall be construed as authorizing the acquisition of additional lands for establishment of a national wildlife refuge at the reservoir;

Gulf Intracoastal Waterway, channel to Palacios, Texas: House Document Numbered 504, Eighty-seventh Congress, at an estimated cost of \$818,000;

Gulf Intracoastal Waterway, channel to Victoria, Texas: House Document Numbered 288, Eighty-seventh Congress, at an estimated cost of \$1,590,000;

Illinois Waterway, Illinois and Indiana: House Document Numbered 31, Eighty-sixth Congress, is approved and there is hereby authorized the sum of \$40,000,000 for initiation and partial accomplishment of the project;

Illinois and Louisiana.

Kaskaskia River, Illinois: Senate Document Numbered 44, Eighty-seventh Congress, at an estimated cost of \$58,200,000;

Mississippi River between Missouri River and Minneapolis, Minnesota: House Document Numbered 513, Eighty-seventh Congress, at an estimated cost of \$1,205,000;

Minnesota.

|                        |  |
|------------------------|--|
| Michigan.              | <p>Ontonagon Harbor, Michigan: House Document Numbered 287, Eighty-seventh Congress, at an estimated cost of \$4,741,000;</p> <p>Muskegon Harbor, Michigan: House Document Numbered 474, Eighty-seventh Congress, at an estimated cost of \$609,000;</p> <p>Leland Harbor, Michigan: House Document Numbered 413, Eighty-seventh Congress, at an estimated cost of \$485,000;</p> <p>Little Bay De Noc, Gladstone Harbor and Kipling, Michigan: House Document Numbered 480, Eighty-seventh Congress, at an estimated cost of \$350,000;</p>   |
| Wisconsin.             | <p>Green Bay Harbor, Wisconsin: House Document Numbered 470, Eighty-seventh Congress, at an estimated cost of \$4,270,000;</p> <p>Kenosha Harbor, Wisconsin: House Document Numbered 496, Eighty-seventh Congress, at an estimated cost of \$673,000;</p> <p>Manitowoc Harbor, Wisconsin: House Document Numbered 479, Eighty-seventh Congress, at an estimated cost of \$719,000;</p> <p>Milwaukee Harbor, Wisconsin: House Document Numbered 134, Eighty-seventh Congress, at an estimated cost of \$4,029,000;</p>  |
| Illinois.              | <p>Chicago Harbor, Illinois: House Document Numbered 485, Eighty-seventh Congress, at an estimated cost of \$1,505,000;</p>  |
| Indiana.               | <p>Calumet Harbor and River, Illinois and Indiana: House Document Numbered 581, Eighty-seventh Congress, at an estimated cost of \$11,464,000;</p>   |
| Michigan.              | <p>New Buffalo Harbor, Michigan: House Document Numbered 481, Eighty-seventh Congress, at an estimated cost of \$667,000;</p> <p>Caseville Harbor, Michigan: House Document Numbered 64, Eighty-seventh Congress, at an estimated cost of \$327,000;</p> <p>Saginaw River, Michigan: House Document Numbered 544, Eighty-seventh Congress, at an estimated cost of \$4,780,000;</p> <p>Rouge River, Michigan: House Document Numbered 509, Eighty-seventh Congress, at an estimated cost of \$257,000;</p>   |
| Ohio.                  | <p>Huron Harbor, Ohio: House Document Numbered 165, Eighty-seventh Congress, at an estimated cost of \$8,557,000;</p> <p>Cleveland Harbor, Ohio: House Document Numbered 527, Eighty-seventh Congress, at an estimated cost of \$888,000;</p> <p>Conneaut Harbor, Ohio: House Document Numbered 415, Eighty-seventh Congress, at an estimated cost of \$6,179,000;</p>   |
| Pennsylvania.          | <p>Erie Harbor, Pennsylvania: House Document Numbered 340, Eighty-seventh Congress, at an estimated cost of \$671,000;</p>   |
| New York.              | <p>Buffalo Harbor, New York: House Document Numbered 451, Eighty-seventh Congress, at an estimated cost of \$2,797,000;</p> <p>Great Sodus Bay Harbor, New York: House Document Numbered 138, Eighty-seventh Congress, at an estimated cost of \$765,000;</p> <p>Oswego Harbor, New York: House Document Numbered 471, Eighty-seventh Congress, at an estimated cost of \$1,180,000;</p>   |
| California.            | <p>Dana Point Harbor, California: House Document Numbered 532, Eighty-seventh Congress, at an estimated cost of \$3,730,000;</p> <p>Santa Barbara Harbor, California: House Document Numbered 518, Eighty-seventh Congress, at an estimated cost of \$3,000,000;</p> <p>Oakland Harbor, California, Fruitvale Avenue Bridge: Senate Document Numbered 75, Eighty-seventh Congress, at an estimated cost of \$1,750,000;</p> <p>Oakland Harbor, California: House Document Numbered 353, Eighty-seventh Congress, at an estimated cost of \$6,775,000;</p> <p>Noyo River and Harbor, California: Senate Document Numbered 121, Eighty-seventh Congress, at an estimated cost of \$13,231,000;</p> |
| Oregon and Washington. | <p>Columbia and Lower Willamette Rivers, Oregon and Washington: House Document Numbered 203, Eighty-seventh Congress, at an estimated cost of \$493,000;</p>   |

Columbia and Lower Willamette Rivers below Vancouver, Washington, and Portland, Oregon: House Document Numbered 452, Eighty-seventh Congress, at an estimated cost of \$20,100,000; Washington and Oregon.

Tacoma Harbor, Port Industrial and Hylebos Waterways, Washington: Senate Document Numbered 104, Eighty-seventh Congress, at an estimated cost of \$2,460,000;

Kingston Harbor, Washington: House Document Numbered 417, Eighty-seventh Congress, at an estimated cost of \$428,000;

Swinomish Channel, Washington: House Document Numbered 499, Eighty-seventh Congress, at an estimated cost of \$887,000;

Kaunakakai Harbor, Molokai, Hawaii: House Document Numbered 484, Eighty-seventh Congress, at an estimated cost of \$7,919,000; Hawaii.

The project for Hilo Harbor, Hawaii, authorized by Public Law 645, Eighty-sixth Congress, is hereby modified to provide for adjustment of the cash contribution required of local interest in accordance with recommendations by the Secretary of the Army and approved by the President, such adjustment to be made at the earliest practicable date. 74 Stat. 483.

#### BEACH EROSION

State of New Hampshire: House Document Numbered 416, Eighty-seventh Congress, at an estimated cost of \$88,000; New Hampshire.

Fire Island Inlet and shore westerly to Jones Inlet, Long Island, New York: Modification of the existing beach erosion control project authorized by the River and Harbor Act of 1958 (Public Law 500, Eighty-fifth Congress), House Document Numbered 411, Eighty-fifth Congress, is hereby authorized substantially in accordance with the plans, which will include a sand bypassing system at Fire Island Inlet, being prepared by the Chief of Engineers, subject to the approval of such plans by the Secretary of the Army and the President; New York. 72 Stat. 299.

Clark Point, New Bedford, Massachusetts: House Document Numbered 584, Eighty-seventh Congress, at an estimated cost of \$60,000; Massachusetts.

Virginia Beach, Virginia: House Document Numbered 382, Eighty-seventh Congress, periodic nourishment; Virginia.

Fort Macon, Atlantic Beach and vicinity, North Carolina: House Document Numbered 555, Eighty-seventh Congress, at an estimated cost of \$194,000; North Carolina.

Palm Beach County from Martin County line to Lake Worth Inlet and from South Lake Worth Inlet to Broward County line, Florida: House Document Numbered 164, Eighty-seventh Congress, at an estimated cost of \$128,800; Florida.

Virginia Key and Key Biscayne, Florida: House Document Numbered 561, Eighty-seventh Congress, at an estimated cost of \$220,000;

San Juan and vicinity, Puerto Rico: House Document Numbered 575, Eighty-seventh Congress, at an estimated cost of \$65,400; Puerto Rico.

Lake Erie shoreline from the Michigan-Ohio State line to Marblehead, Ohio: House Document Numbered 63, Eighty-seventh Congress, at an estimated cost of \$658,500; Michigan-Ohio.

Sheffield Lake community park, Sheffield Lake Village, Ohio: House Document Numbered 414, Eighty-seventh Congress, at an estimated cost of \$100,300;

Ventura-Pierpoint area, California: House Document Numbered 458, Eighty-seventh Congress, at an estimated cost of \$515,000. California.

Orange County, California, House Document Numbered 602, Eighty-seventh Congress, at an estimated cost of \$2,845,000.

SEC. 102. That the Secretary of the Army is hereby authorized to reimburse local interests for such work done by them on the beach erosion projects authorized in section 101, and in other sections of this Act, subsequent to the initiation of the cooperative studies which form Reimbursement of local interests.

the basis for the projects: *Provided*, That the work which may have been done on these projects is approved by the Chief of Engineers as being in accordance with the projects herein adopted: *Provided further*, That such reimbursement shall be subject to appropriations applicable thereto or funds available therefor and shall not take precedence over other pending projects of higher priority for improvements.

Protection of  
shores.  
70 Stat. 702.

SEC. 103. (a) The Act approved August 13, 1946, as amended by the Act approved July 28, 1956 (33 U.S.C. 426e-h), pertaining to shore protection, is hereby further amended as follows:

(1) the word "one-third" in section 1(b) is deleted and the word "one-half" is substituted therefor;

(2) the following is added after the word "located" in section 1(b): "except that the costs allocated to the restoration and protection of Federal property shall be borne fully by the Federal Government, and, further, that Federal participation in the cost of a project for restoration and protection of State, county, and other publicly owned shore parks and conservation areas may be, in the discretion of the Chief of Engineers, not more than 70 per centum of the total cost exclusive of land costs, when such areas: Include a zone which excludes permanent human habitation; include but are not limited to recreational beaches; satisfy adequate criteria for conservation and development of the natural resources of the environment; extend landward a sufficient distance to include, where appropriate, protective dunes, bluffs, or other natural features which serve to protect the uplands from damage; and provide essentially full park facilities for appropriate public use, all of which shall meet with the approval of the Chief of Engineers";

(3) the following is added after the word "supplemented" in section 1(e): "or, in the case of a small project under section 3 of this Act, unless the plan therefor has been approved by the Chief of Engineers"; and

(4) sections 2 and 3 are amended to read as follows:

Reimbursement.

"SEC. 2. The Secretary of the Army is hereby authorized to reimburse local interests for work done by them, after initiation of the survey studies which form the basis for the project, on authorized projects which individually do not exceed \$1,000,000 in total cost: *Provided*, That the work which may have been done on the projects is approved by the Chief of Engineers as being in accordance with the authorized projects: *Provided further*, That such reimbursement shall be subject to appropriations applicable thereto or funds available therefor and shall not take precedence over other pending projects of higher priority for improvements.

Small construction projects, authorization.

"SEC. 3. The Secretary of the Army is hereby authorized to undertake construction of small shore and beach restoration and protection projects not specifically authorized by Congress, which otherwise comply with section 1 of this Act, when he finds that such work is advisable, and he is further authorized to allot from any appropriations hereafter made for civil works, not to exceed \$3,000,000 for any one fiscal year for the Federal share of the costs of construction of such projects: *Provided*, That not more than \$400,000 shall be allotted for this purpose for any single project and the total amount allotted shall be sufficient to complete the Federal participation in the project under this section including periodic nourishment as provided for under section 1(c) of this Act: *Provided further*, That the provisions of local cooperation specified in section 1 of this Act shall apply: *And provided further*, That the work shall be complete in itself and shall not commit the United States to any additional improvement to

insure its successful operation, except for participation in periodic beach nourishment in accordance with section 1(c) of this Act, and as may result from the normal procedure applying to projects authorized after submission of survey reports."

(b) All provisions of existing law relating to surveys of rivers and harbors shall apply to surveys relating to shore protection and section 2 of the River and Harbor Act approved July 3, 1930, as amended (33 U.S.C. 426), is modified to the extent inconsistent herewith.

46 Stat. 945.

Project costs.

(c) The cost-sharing provisions of this Act shall apply in determining the amounts of Federal participation in or payments toward the costs of authorized projects which have not been substantially completed prior to the date of approval of this Act, and the Chief of Engineers, through the Beach Erosion Board, is authorized and directed to recompute the amounts of Federal contribution toward the costs of such projects accordingly.

SEC. 104. The project for aquatic plant control authorized by the River and Harbor Act of 1958 (72 Stat. 297, 300) is hereby modified to provide that research costs and planning costs prior to construction shall be borne fully by the United States and shall not be included in the cost to be shared by local interests.

Aquatic plant control project, modification.

SEC. 105. The Secretary of the Army is authorized to convey 17.94 acres of land located at old lock and dam numbered 7, Ohio River, to the city of Midland, Pennsylvania, after November 1, 1962, for public park and recreation purposes, without monetary consideration but subject to reversion to the United States if not utilized for public park and recreation purposes and further subject to such flowage rights as may be necessary in the operation of the New Cumberland lock and dam, Ohio River.

Midland, Pa. Land conveyance.

SEC. 106. Section 110(f) of the River and Harbor Act of 1958 (72 Stat. 297) is amended by changing the period to a comma and adding the following: "and upon completion of transfer to the said State of all right, title, and interest of the United States in and to the canal in accordance with the agreement executed December 14, 1960, between the Chief of Engineers and the representatives of said State, the additional sum of \$800,000 is hereby authorized to be appropriated to be expended by the Corps of Engineers, or by said State, for the repair and modification of any canal properties and appurtenances, notwithstanding the provisions of section 110(b) hereof."

Illinois and Mississippi Canal. Additional funds.

SEC. 107. The Secretary of the Army is authorized and directed to prepare and transmit to Congress, at the earliest practicable date, a compilation of survey and review reports on river and harbor and flood control improvements, similar to that prepared in accordance with the Act of March 4, 1913, revised in accordance with the Acts of July 3, 1930, August 30, 1935, and May 17, 1950, and printed in House Document Numbered 214, Eighty-second Congress, first session.

River and harbor survey reports.

37 Stat. 827;  
46 Stat. 949;  
49 Stat. 1049;  
64 Stat. 168.

SEC. 108. The Chief of Engineers is authorized to perform such work as may be necessary to provide for the repair and restoration of lock and dam numbered 3 on the Big Sandy River: *Provided*, That the work authorized herein shall have no effect on the condition that local interests shall operate and maintain the structure and related properties as required by the Act of Congress approved August 6, 1956 (70 Stat. 1062): *And provided further*, That there is hereby authorized to be expended from appropriations hereafter made for civil functions administered by the Department of the Army, such funds as may be necessary for the repair and restoration of lock and dam numbered 3 on the Big Sandy River, not to exceed \$200,000.

Big Sandy River, Ky.

SEC. 109. The body of water designated as the Redondo Beach Harbor, California, shall be known and designated hereafter as the Redondo Beach King Harbor, California. Any law, regulation, map,

Redondo Beach King Harbor, Calif. Designation.



document, record, or other paper of the United States in which such body of water is referred to shall be held to refer to it as the Redondo Beach King Harbor, California.

Surveys.

SEC. 110. The Secretary of the Army is hereby authorized and directed to cause surveys to be made at the following named localities and subject to all applicable provisions of section 110 of the River and Harbor Act of 1950:

64 Stat. 168.

Falmouth Harbor, Maine.  
Channel between Point Shirley and Deer Island, Massachusetts.  
Little Egg Inlet, New Jersey.  
Brigantine Inlet, New Jersey.  
Corsons Inlet, New Jersey.  
Kings Bay Deepwater Channel, Georgia.  
Auglaize River at Wapakoneta, Ohio.

Coastal areas.

Surveys of the coastal areas of the United States and its possessions, including the shores of the Great Lakes, in the interest of beach erosion control, hurricane protection and related purposes: *Provided*, That surveys of particular areas shall be authorized by appropriate resolutions of either the Committee on Public Works of the United States Senate or the Committee on Public Works of the House of Representatives.

Citation of title.

SEC. 111. Title I of this Act may be cited as the "River and Harbor Act of 1962".

Flood Control  
Act of 1962.

## TITLE II—FLOOD CONTROL

49 Stat. 1571.  
33 USC 701c.  
52 Stat. 1215.  
33 USC 701c-1.

SEC. 201. Section 3 of the Act approved June 22, 1936 (Public Law Numbered 738, Seventy-fourth Congress), as amended by section 2 of the Act approved June 28, 1938 (Public Law Numbered 761, Seventy-fifth Congress), shall apply to all works authorized in this title except that for any channel improvement or channel rectification project, provisions (a), (b), and (c) of section 3 of said Act of June 22, 1936, shall apply thereto, and except as otherwise provided by law: *Provided*, That the authorization for any flood control project herein adopted requiring local cooperation shall expire five years from the date on which local interests are notified in writing by the Department of the Army of the requirements of local cooperation, unless said interests shall within said time furnish assurances satisfactory to the Secretary of the Army that the required cooperation will be furnished.

58 Stat. 887.  
33 USC 701-1.

SEC. 202. The provisions of section 1 of the Act of December 22, 1944 (Public Law Numbered 534, Seventy-eighth Congress, second session), shall govern with respect to projects authorized in this Act, and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto shall apply as if herein set forth in full.

Navigation im-  
provement proj-  
ects.  
Authorization.

SEC. 203. The following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with the plans in the respective reports hereinafter designated and subject to the conditions set forth therein: *Provided*, That the necessary plans, specifications, and preliminary work may be prosecuted on any project authorized in this title with funds from appropriations hereafter made for flood control so as to be ready for rapid inauguration of a construction program: *Provided further*, That the projects authorized herein shall be initiated as expeditiously and prosecuted as vigorously as may be consistent with budgetary requirements: *And provided further*, That penstocks and other similar facilities adapted to possible future use

in the development of hydroelectric power shall be installed in any dam authorized in this Act for construction by the Department of the Army when approved by the Secretary of the Army on the recommendation of the Chief of Engineers and the Federal Power Commission.

#### NEW ENGLAND-ATLANTIC COASTAL AREA

The project for hurricane-flood protection at Wareham-Marion, Massachusetts, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 548, Eighty-seventh Congress, at an estimated cost of \$3,811,500.

The project for navigation and hurricane-flood protection at Point Judith, Rhode Island, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 521, Eighty-seventh Congress, at an estimated cost of \$2,414,000.

The project for navigation and hurricane-flood control protection at Narragansett Pier, Rhode Island, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 195, Eighty-seventh Congress, at an estimated cost of \$1,152,000.

#### LONG ISLAND SOUND AREA

The project for hurricane-flood control protection at New London, Connecticut, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 478, Eighty-seventh Congress, at an estimated cost of \$2,401,000.

The project for hurricane-flood protection at Westport, Connecticut, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 412, Eighty-seventh Congress, at an estimated cost of \$217,000.

The project for hurricane-flood protection at Mystic, Connecticut, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 411, Eighty-seventh Congress, at an estimated cost of \$1,490,000.

#### HOUSATONIC RIVER BASIN

The project for flood protection on the Naugatuck River at Ansonia-Derby, Connecticut, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 437, Eighty-seventh Congress, at an estimated cost of \$5,620,000.

#### HUDSON RIVER BASIN

The project for flood protection on Rondout Creek and Wallkill River and their tributaries, New York and New Jersey, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 113, Eighty-seventh Congress, at an estimated cost of \$5,111,000.

#### NEW JERSEY-ATLANTIC COASTAL AREA

The project for hurricane-flood protection and beach erosion control on Raritan Bay and Sandy Hook Bay, New Jersey, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 464, Eighty-seventh Congress, at an estimated cost of \$3,097,000.

## SUSQUEHANNA RIVER BASIN

The project for construction of the Fall Brook and Ayleworth Creek Reservoirs, and local flood protection works on the Lackawanna River at Scranton, Pennsylvania, is hereby authorized substantially as recommended by the Chief of Engineers, in Senate Document Numbered 141, Eighty-seventh Congress, at an estimated cost of \$3,596,000.

The project for the Juniata River and tributaries, Pennsylvania, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 565, Eighty-seventh Congress, at an estimated cost of \$32,150,000: *Provided*, That installation of the power generating facilities shall not be made until the Chief of Engineers shall submit a reexamination report to the Congress for authorization.

## DELAWARE RIVER BASIN

The project for the comprehensive development of the Delaware River Basin, New York, New Jersey, Pennsylvania, and Delaware, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, in House Document Numbered 522, Eighty-seventh Congress, at an estimated cost of \$192,400,000.

## POTOMAC RIVER BASIN

The project for the North Branch of the Potomac River, Maryland and West Virginia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, in House Document Numbered 469, Eighty-seventh Congress, at an estimated cost of \$50,965,000.

## MIDDLE ATLANTIC COASTAL AREA

The project for hurricane-flood protection at Norfolk, Virginia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 354, Eighty-seventh Congress, at an estimated cost of \$1,537,000.

The project for hurricane-flood protection and beach erosion control at Wrightsville Beach, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 511, Eighty-seventh Congress, at an estimated cost of \$345,000.

The project for hurricane-flood protection and beach erosion control at Carolina Beach and vicinity, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 418, Eighty-seventh Congress, at an estimated cost of \$739,000.

## APALACHICOLA RIVER BASIN, GEORGIA

The project for the West Point Reservoir, Chattahoochee River, Georgia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 570, Eighty-seventh Congress, at an estimated cost of \$52,900,000.

## CENTRAL AND SOUTHERN FLORIDA

The comprehensive plan for flood control and other purposes in central and southern Florida approved in the Act of June 30, 1948,

and subsequent Acts of Congress, is hereby modified to include the following items:

The project for flood protection of West Palm Beach Canal is hereby authorized substantially as recommended by the Secretary of the Army and the Chief of Engineers in Senate Document Numbered 146, Eighty-seventh Congress, at an estimated cost of \$3,220,000.

The project for flood protection on Boggy Creek, Florida, is hereby authorized substantially as recommended by the Chief of Engineers in Senate Document Numbered 125, Eighty-seventh Congress, at an estimated cost of \$1,176,000.

The project for South Dade County, Florida, is hereby authorized substantially in accordance with the recommendations of the Secretary of the Army and the Chief of Engineers in Senate Document Numbered 138, Eighty-seventh Congress, at an estimated cost of \$13,388,000.

The project for Shingle Creek, Florida, between Clear Lake and Lake Tohopekaliga, for flood control and major drainage is hereby authorized substantially as recommended by the Chief of Engineers in Senate Document Numbered 139, Eighty-seventh Congress, at an estimated cost of \$3,250,000: *Provided*, That no obligation shall be incurred for development of the Reedy Creek Swamp as a wildlife management area unless the State or one or more other non-Federal entities shall have entered into an agreement in advance to assume at least 50 per centum of the cost associated with that feature of the project.

The project for flood protection in the Cutler drain area, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 123, Eighty-seventh Congress, at an estimated cost of \$2,063,000: *Provided*, That local interests shall receive credit in the Contributed Fund Account of the project for moneys shown to have been spent after March 1, 1960, for construction of units of the authorized plan for Cutler Drain: *Provided further*, That such completed work must be inspected and accepted by the Chief of Engineers as constituting useful parts of the authorized plan: *And provided further*, That the credit established shall be in accordance with cost sharing arrangements for the central and southern Florida flood control project in an amount not to exceed \$124,000.

#### GREEN SWAMP REGION, FLORIDA

The project for the Four River Basins, Florida, namely the Hillsborough, Oklawaha, Withlacoochee, and Peace Rivers, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 585, Eighty-seventh Congress, at an estimated cost of \$57,760,000: *Provided*, That the cost sharing shall be as recommended by the Secretary of the Army in House Document Numbered 585, Eighty-seventh Congress: *And provided further*, That planning and construction on the Lowery-Mattie Conservation Area and its appurtenant works is deferred until additional studies are made thereon, and a further report submitted to the Congress.

Lowery-Mattie  
Conservation  
Area.  
Additional stud-  
ies.

#### PASCAGOULA RIVER BASIN

The project for flood protection on the Chunky Creek, Chickasawhay and Pascagoula Rivers, Mississippi, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 549, Eighty-seventh Congress, at an estimated cost of \$6,740,000.

## LOWER MISSISSIPPI RIVER BASIN

45 Stat. 534.  
33 USC 702a-  
702m, 704.

The project for flood control and improvement of the lower Mississippi River adopted by the Act approved May 15, 1928, as amended by subsequent Acts, is hereby modified and expanded to include the following item:

(a) Monetary authorizations heretofore and hereafter made available to the project or any portion thereof shall be combined into a single sum and be available for application to any portion of the project.

The project for flood control and improvement of the lower Mississippi River, adopted by the Act of May 15, 1928, as amended, is hereby modified and expanded to include construction of certain improvements in Gin and Muddy Bayous, Yazoo River Basin, Mississippi, substantially in accordance with plans on file in the Office, Chief of Engineers, subject to the approval of such plans by the Secretary of the Army and the President, at an estimated cost of \$150,000.

The project for hurricane-flood protection on the Mississippi River Delta at and below New Orleans, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 550, Eighty-seventh Congress, at an estimated cost of \$7,502,000.

The project for flood protection on Red River in Natchitoches and Red River Parishes, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 476, Eighty-seventh Congress, at an estimated cost of \$1,293,000.

Will M. Whitting-  
ton Auxiliary  
Channel.  
Designation.

The lower auxiliary channel, Yazoo River Basin, Mississippi, a unit in the Mississippi River and tributaries project, shall hereafter be known and designated as the Will M. Whittington Auxiliary Channel in honor of the late Member of the House of Representatives from the Third District of Mississippi, and former chairman of the House Public Works Committee. The Secretary of the Army, acting through the Chief of Engineers, United States Army, is hereby authorized and directed to erect appropriate markers along the auxiliary channel designating the project "The Will M. Whittington Auxiliary Channel". Any law, regulation, document, or record of the United States in which such project is designated or referred to under the name of lower auxiliary channel, Yazoo River Basin, Mississippi, shall be held and considered to refer to such project by the name of "Will M. Whittington Auxiliary Channel".

## BUFFALO BAYOU

The project for flood protection on Vince and Little Vince Bayous, Texas, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 441, Eighty-seventh Congress, at an estimated cost of \$2,224,000.

## GULF OF MEXICO

The project for hurricane-flood protection at Port Arthur and vicinity, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 505, Eighty-seventh Congress, at an estimated cost of \$23,380,000.

The project for hurricane-flood protection at Freeport and vicinity, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 495, Eighty-seventh Congress, at an estimated cost of \$3,780,000.

## TRINITY RIVER BASIN

The project for flood protection on the East Fork of the Trinity River, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 554, Eighty-seventh Congress, at an estimated cost of \$23,760,000.

The project for extension of the Fort Worth Floodway, Texas, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 454, Eighty-seventh Congress, at an estimated cost of \$5,148,000.

## BRAZOS RIVER BASIN

The project for the San Gabriel River, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 591, Eighty-seventh Congress, at an estimated cost of \$20,250,000.

The project for flood protection on the Clear Fork of the Brazos River at and in the vicinity of Abilene, Texas, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 506, Eighty-seventh Congress, at an estimated cost of \$31,200,000.

## TULAROSA BASIN

The project for flood protection at Alamogordo, New Mexico, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 473, Eighty-seventh Congress, at an estimated cost of \$2,040,000.

## RIO GRANDE BASIN

The project for flood protection at Las Cruces, New Mexico, is hereby authorized substantially as recommended by the Chief of Engineers in Senate Document Numbered 117, Eighty-seventh Congress, at an estimated cost of \$3,350,000.

## ARKANSAS RIVER BASIN

The Dardanelle lock and dam, Arkansas River, Arkansas, is hereby modified to provide for construction of a sewage outfall system for the city of Russellville, Arkansas, substantially in accordance with plans of said city, approved by the Chief of Engineers, at an estimated cost of \$1,400,000.

The Secretary of the Army is hereby authorized and directed to cause an immediate study to be made under the direction of the Chief of Engineers of bank erosion on the Arkansas River between about river mile 455, near Muskogee, Oklahoma, and about river mile 495, near Coweta, Oklahoma. Such project or projects, because of its or their emergency nature, are hereby authorized as determined to be feasible and justified by the Chief of Engineers and Secretary of the Army with the approval of the President unless within the first period of sixty calendar days of continuous session of the Congress after the date on which the report is submitted to it such report is disapproved by the Congress: *Provided*, That the requirements for cooperation shall include provisions that local interests shall furnish all lands, easements, and rights-of-way; hold and save the United States free from damages; maintain and operate after completion; and make a cash contribution in recognition of any special benefits: *And provided further*, That with respect to any work found justified

in the vicinity of Wybark, Oklahoma, local interests shall meet the requirements as stated and shall make a cash contribution of not less than \$150,000 which shall include the value of all lands, easements, and rights-of-way required to be furnished, and the value of goods and services provided for purposes of project installation on a basis acceptable to the Chief of Engineers: *Provided*, That the cost to the Federal Government shall not exceed \$2,000,000.

The project for improvement of the Verdigris River and tributaries, Oklahoma and Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 563, Eighty-seventh Congress, at an estimated cost of \$62,400,000.

The project for flood protection on Big Hill Creek, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 577, Eighty-seventh Congress, at an estimated cost of \$3,785,000.

The project for the Kaw Reservoir, Arkansas River, Oklahoma, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 143, Eighty-seventh Congress, at an estimated cost of \$83,230,000: *Provided*, That nothing in this Act shall be construed as authorizing the acquisition of additional lands for establishment of a national wildlife refuge at the reservoir.

The project for flood protection on Cow Creek, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 531, Eighty-seventh Congress, at an estimated cost of \$1,560,000.

The project for flood protection on the Arkansas River at Dodge City, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 498, Eighty-seventh Congress, at an estimated cost of \$2,133,000.

#### WHITE RIVER BASIN

The flood protection project for Village Creek, Jackson and Lawrence Counties, Arkansas, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 352, Eighty-seventh Congress, at an estimated cost of \$1,968,000.

The project for flood protection on Village Creek, White River, and Mayberry Levee Districts, Arkansas, is hereby modified to provide for construction of a pumping plant, substantially as recommended by the Chief of Engineers in House Document Numbered 577, Eighty-seventh Congress, at an estimated additional cost of \$1,018,000.

#### RED RIVER BASIN

That the general plan for flood control and other purposes on Red River below Denison Dam is hereby modified to authorize the Chief of Engineers to adjust the local cooperation requirements of the McKinney Bayou, Arkansas and Texas, Maniece Bayou, Arkansas, and East Point, Louisiana, projects so as to bring such requirements in accord with the recommendations of the Secretary of the Army and approval of the President, such adjustment to be made at the earliest practicable date.

The project for Sanders, Big Pine, and Collier Creeks, Texas, is hereby authorized substantially as recommended by the Chief of Engineers, at an estimated cost of \$16,100,000, subject to the recommendations of the Secretary of the Army and approval of the President.

The project for Lake Kemp, Wichita River, Texas, is hereby authorized substantially in accordance with the recommendations of the

Chief of Engineers in Senate Document Numbered 144, Eighty-seventh Congress, at an estimated cost of \$6,410,000.

The modification of the Broken Bow Reservoir, Mountain Fork River, Oklahoma, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 137, Eighty-seventh Congress, at an estimated cost of \$23,800,000.

The project for the Clayton and Tuskahoma Reservoirs, Kiamichi River, Oklahoma, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 145, Eighty-seventh Congress, at an estimated cost of \$29,748,000.

The project providing for the construction of two experimental water quality study projects in the Arkansas-Red River Basins, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 105, Eighty-seventh Congress, at an estimated cost of \$300,000.

#### MISSOURI RIVER BASIN

(a) The Kaysinger Bluff Reservoir, Osage River, Missouri, is hereby modified substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 578, Eighty-seventh Congress, at an estimated additional cost of \$43,245,000: *Provided*, That nothing in this Act shall be construed as authorizing the acquisition of additional lands for the establishment of a national wild-life refuge at the reservoir.

(b) The project for the Kansas River, Kansas, Nebraska, and Colorado, is hereby authorized substantially in accordance with the recommendations of the Secretary of the Army and the Chief of Engineers in Senate Document Numbered 122, Eighty-seventh Congress, at an estimated cost of \$88,070,000: *Provided*, That the authorization for the Woodbine Reservoir on Lyons Creek is deferred at this time, subject to submission of a new feasibility report to the Eighty-eighth Congress, which shall take into account the water and related land resource development plans of the Soil Conservation Service, the Kansas Water Resources Board, and Lyons Creek Watershed Joint District Numbered 41, and preparation of said report is hereby authorized.

Woodbine Reservoir, Kans.  
Authorization deferred.  
Report to Congress.

The project for flood protection on White Clay Creek at Atchison, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 151, Eighty-seventh Congress, at an estimated cost of \$3,495,000.

The project for flood protection on Papillion Creek and tributaries, Nebraska, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 475, Eighty-seventh Congress, at an estimated cost of \$2,122,000.

The project for flood protection on Indian Creek, Iowa, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 438, Eighty-seventh Congress, at an estimated cost of \$1,270,000.

The project for Grand River and tributaries, North and South Dakota, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 574, Eighty-seventh Congress, at an estimated cost of \$2,670,000: *Provided*, That the project shall be constructed, operated, and maintained by the Chief of Engineers under the direction of the Secretary of the Army.



Floyd River,  
Iowa.  
Modification of  
project.  
72 Stat. 312.

The requirements of local cooperation on the project for flood control on the Floyd River, Iowa, authorized by Public Law 85-500, as recommended by the Chief of Engineers in House Document Numbered 417, Eighty-fourth Congress, is hereby modified to read as follows: "*Provided*, That responsible local interests give assurances satisfactory to the Secretary of the Army that they will (a) furnish without cost to the United States all lands, easements, and rights-of-way necessary for construction of the project; (b) hold and save the United States free from damages due to the construction works; (c) make without cost to the United States all necessary road, highway, highway bridges other than those required to carry Interstate Highway 29 over the relocated Floyd River, and utility alterations and additions; (d) contribute in cash 0.84 per centum of the estimated first cost of the work for which the United States would be responsible, a contribution presently estimated at \$65,000; (e) upon authorization of the project, to take all possible action under Iowa law, short of actual purchase, to prevent additional developments within the right-of-way that might increase the overall cost of the project; and (f) maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of the Army."

#### OHIO RIVER BASIN

The project for flood protection on the Kokosing River, Ohio, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 220, Eighty-seventh Congress, at an estimated cost of \$2,438,000.

The project for flood protection on the Wabash River at and in the vicinity of Mount Carmel, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 573, Eighty-seventh Congress, at an estimated cost of \$1,417,000.

The project for flood protection on the Mad River above Huffman Dam, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 439, Eighty-seventh Congress, at an estimated cost of \$7,930,000.

The project for the Kentucky River, Kentucky, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 423, Eighty-seventh Congress, at an estimated cost of \$26,020,000.

The project for Twelvepole Creek, West Virginia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 520, Eighty-seventh Congress, at an estimated cost of \$11,000,000.

The project for the Guyandot River and tributaries, West Virginia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 569, Eighty-seventh Congress, second session, at an estimated cost of \$60,477,000.

The project for flood protection on the Buckhannon River, West Virginia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 43, Eighty-seventh Congress, at an estimated cost of \$1,206,000.

The project for flood protection on Crab Creek at Youngstown, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 440, Eighty-seventh Congress, at an estimated cost of \$2,268,000.

The project for the Scioto River, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 587, Eighty-seventh Con-

gress, at an estimated cost of \$55,307,000: *Provided*, That nothing in this Act shall be construed as authorizing the acquisition of additional lands for the establishment of a wildlife refuge in this project.

The project for flood protection on the Allegheny River at Salamanca, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 166, Eighty-seventh Congress, at an estimated cost of \$1,390,000.

The project for French Creek, Pennsylvania, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 95, Eighty-seventh Congress, at an estimated cost of \$23,102,000.

The project for the Saline River and tributaries, Illinois, authorized by the Flood Control Act of 1958 (Public Law 85-500) is hereby modified to authorize the Chief of Engineers to adjust the cash contribution required of local interests to such amount as is recommended by the Secretary of the Army and approved by the President, such adjustment to be made at the earliest practicable date.

72 Stat. 312.

#### UPPER MISSISSIPPI RIVER BASIN

The project for the Illinois River and tributaries, Illinois, Wisconsin, and Indiana, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 472, Eighty-seventh Congress, at an estimated cost of \$71,465,000.

The project for Rend Lake, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 541, Eighty-seventh Congress, at an estimated cost of \$35,500,000.

The project for flood protection on the Mississippi River at and in the vicinity of Guttenberg, Iowa, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 286, Eighty-seventh Congress, at an estimated cost of \$729,000.

The project for flood protection on the Mississippi River between Sainte Genevieve and Saint Marys, Missouri, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 519, Eighty-seventh Congress, at an estimated cost of \$2,500,000.

The project for the Harrisonville and Ivy Landing Drainage and Levee District Numbered 2, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 542, Eighty-seventh Congress, at an estimated cost of \$1,112,000.

The project for the Columbia Drainage and Levee District Numbered 3, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 543, Eighty-seventh Congress, at an estimated cost of \$986,000.

The project for the Prairie DuPont Levee and Sanitary District, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 540, Eighty-seventh Congress, at an estimated cost of \$921,000.

The project for flood protection on Richland Creek, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 571, Eighty-seventh Congress, at an estimated cost of \$4,995,000.

The project for the Joanna Reservoir, Salt River, Missouri, is hereby authorized substantially in accordance with the recommenda-

tions of the Chief of Engineers in House Document Numbered 507, Eighty-seventh Congress, at an estimated cost of \$63,300,000.

The project for flood protection on the Pecatonica River, Illinois and Wisconsin, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 539, Eighty-seventh Congress, at an estimated cost of \$850,000.

The project for flood protection on Rock River at Rockford, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 142, Eighty-seventh Congress, at an estimated cost of \$7,228,000.

The project for the Mississippi River urban areas from Hampton, Illinois, to mile 300, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 564, Eighty-seventh Congress, at an estimated cost of \$9,289,000.

The project for the Mississippi River urban areas from Hampton, Illinois, to Cassville, Wisconsin, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 450, Eighty-seventh Congress, at an estimated cost of \$5,350,000.

The project for the Kickapoo River, Wisconsin, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 557, Eighty-seventh Congress, at an estimated cost of \$15,570,000.

The project for flood protection on the Warroad River and Bull Dog Creek, Minnesota, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 449, Eighty-seventh Congress, at an estimated cost of \$972,000.

#### GREAT LAKES BASIN

The project for flood protection on the River Rouge, Michigan, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 148, Eighty-seventh Congress, at an estimated cost of \$8,659,000.

The project for flood protection on the Sandusky River, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 136, Eighty-seventh Congress, at an estimated cost of \$4,300,000.

#### GILA RIVER BASIN

The project for the Camelsback Reservoir, Gila River, Arizona, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 127, Eighty-seventh Congress, at an estimated cost of \$9,770,000.

The project for flood protection on the Gila River below Painted Rock Reservoir, Arizona, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 116, Eighty-seventh Congress, at an estimated cost of \$18,255,000.

The project for flood protection on Pinal Creek, Arizona, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 512, Eighty-seventh Congress, at an estimated cost of \$1,300,000.

## TRUCKEE RIVER BASIN

The project for flood protection on the Truckee River and tributaries, California and Nevada, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 435, Eighty-seventh Congress, at an estimated cost of \$2,385,000.

## SAN FRANCISCO BAY AREA

The project for flood protection on Alameda Creek, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 128, Eighty-seventh Congress, at an estimated cost of \$14,680,000.

The project for Corte Madera Creek, Marin County, California, is hereby authorized substantially in accordance with the recommendations of the Secretary of the Army and the Chief of Engineers in House Document Numbered 545, Eighty-seventh Congress, at an estimated cost of \$5,534,000: *Provided*, That local interests shall contribute in cash 3 per centum of the Federal construction of the Rose Valley unit with a contribution presently estimated at \$158,000.

## SAN JOAQUIN RIVER BASIN

The New Melones project, Stanislaus River, California, authorized by the Flood Control Act approved December 22, 1944 (58 Stat. 887), is hereby modified substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 453, Eighty-seventh Congress, at an estimated cost of \$113,717,000: *Provided*, That upon completion of construction of the dam and powerplant by the Corps of Engineers, the project shall become an integral part of the Central Valley project and be operated and maintained by the Secretary of the Interior pursuant to the Federal reclamation laws, except that the flood control operation of the project shall be in accordance with the rules and regulations prescribed by the Secretary of the Army: *Provided further*, That the Stanislaus River Channel, from Goodwin Dam to the San Joaquin River, shall be maintained by the Secretary of the Army to a capacity of at least eight thousand cubic feet per second subject to the condition that responsible local interests agree to maintain private levees and to prevent encroachment on the existing channel and floodway between the levees: *Provided further*, That before initiating any diversions of water from the Stanislaus River Basin in connection with the operation of the Central Valley project, the Secretary of the Interior shall determine the quantity of water required to satisfy all existing and anticipated future needs within that basin and the diversions shall at all times be subordinate to the quantities so determined: *Provided further*, That the Secretary of the Army adopt appropriate measures to insure the preservation and propagation of fish and wildlife in the New Melones project and shall allocate to the preservation and propagation of fish and wildlife, as provided in the Act of August 14, 1946 (60 Stat. 1080), an appropriate share of the cost of constructing the Stanislaus River diversion and of operating and maintaining the same: *Provided further*, That the Secretary of the Army, in connection with the New Melones project, construct basic public recreation facilities, acquire land necessary for that purpose, the cost of constructing such facilities and acquiring such lands to be non-reimbursable and nonreturnable: *Provided further*, That contracts for the sale and delivery of the additional electric energy available from the Central Valley project power system as a result of the con-

58 Stat. 901.

Fish and wild-  
life preservation.16 USC 661-  
666c.

struction of the plants herein authorized and their integration with that system shall be made in accordance with preferences expressed in the Federal reclamation laws except that a first preference, to the extent as needed and as fixed by the Secretary of the Interior, but not to exceed 25 per centum of such additional energy, shall be given, under reclamation law, to preference customers in Tuolumne and Calaveras Counties, California, for use in that county, who are ready, able, and willing, within twelve months after notice of availability by the Secretary of the Interior, to enter into contracts for the energy and that Tuolumne and Calaveras County preference customers may exercise their option in the same date in each successive fifth year providing written notice of their intention to use the energy is given to the Secretary not less than eighteen months prior to said dates: *And provided further*, That the Secretary of the Army give consideration during the preconstruction planning for the New Melones project to the advisability of including storage for the regulation of streamflow for the purpose of downstream water quality control.

The Hidden Reservoir, Fresno River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 37, Eighty-seventh Congress, at an estimated cost of \$14,338,000.

The Buchanan Reservoir, Chowchilla River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 98, Eighty-seventh Congress, at an estimated cost of \$13,585,000.

The project for flood protection on Mormon Slough, Calaveras River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 576, Eighty-seventh Congress, at an estimated cost of \$1,960,000.

#### RUSSIAN RIVER BASIN

The project for Russian River, Dry Creek, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 547, Eighty-seventh Congress, at an estimated cost of \$42,400,000.

#### REDWOOD CREEK BASIN

The project for flood protection on Redwood Creek, Humboldt County, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 497, Eighty-seventh Congress, at an estimated cost of \$2,580,000.

#### LOS ANGELES RIVER BASIN

In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$3,700,000 for the prosecution of the comprehensive plan for the Los Angeles River Basin approved in the Act of August 18, 1941, as amended and supplemented by subsequent Acts of Congress.

#### ROGUE RIVER BASIN

The project for the Rogue River, Oregon and California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 566, Eighty-seventh Congress, at an estimated cost of \$106,700,000, subject to the conditions of local cooperation specified in said report: *Provided*, That the project is to be located, constructed, and operated to accomplish the benefits as set forth and described in the report and appendixes: *And provided further*, That in the years of short water supply all

water users will share the available water in the same proportions that they would share the total full supply when it is available, and that no further water-use allocations will be made from the authorized storage so as to retain the maximum possible benefits to authorized uses during the periods of adversity when storage shortages occur.

#### COLUMBIA RIVER BASIN

The projects and plans for the Columbia River Basin, including the Willamette River Basin, authorized by the Flood Control Act of June 28, 1938, and subsequent Acts of Congress, including the Flood Control Acts of May 17, 1950, September 3, 1954, July 3, 1958, and July 14, 1960, are hereby modified to include the projects listed below for flood control and other purposes in the Columbia River Basin (including the Willamette River Basin) substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 403, Eighty-seventh Congress: *Provided*, That the depth and width of the authorized channel in the Columbia-Snake River barge navigation project shall be established as fourteen feet and two hundred and fifty feet, respectively, at minimum regulated flow.

52 Stat. 1222;  
64 Stat. 177, 178;  
68 Stat. 1264;  
72 Stat. 315;  
74 Stat. 499.

Asotin Dam, Snake River, Idaho and Washington;  
Bruces Eddy Dam and Reservoir, North Fork, Clearwater River, Idaho;  
Strube Reregulating Dam and Reservoir, South Fork, McKenzie River, Oregon;  
Gate Creek Dam and Reservoir, Gate Creek, Oregon;  
Fern Ridge Dam and Reservoir modification, Long Tom River, Oregon;  
Cascadia Dam and Reservoir, South Santiam River, Oregon.

The project for the Ririe Dam and Reservoir, Willow Creek, Idaho, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 562, Eighty-seventh Congress, at an estimated cost of \$7,027,000.

The project for the Blackfoot Dam and Reservoir, Blackfoot River, Idaho, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 568, Eighty-seventh Congress, at an estimated cost of \$829,000.

#### WYNOOCHEE RIVER

The project for the Wynoochee River, Washington, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 601, Eighty-seventh Congress, at an estimated cost of \$40,211,000: *Provided*, That the installation of the power-generating facilities shall not be made until the Chief of Engineers shall submit a reexamination report to the Congress for authorization.

Reexamination  
report to Congress.

#### COOK INLET, ALASKA

The project for Bradley Lake, Cook Inlet, Alaska, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 455, Eighty-seventh Congress, at an estimated cost of \$45,750,000.

SEC. 204. (a) For the purpose of developing hydroelectric power and to encourage and promote the economic development of and to foster the establishment of essential industries in the State of Alaska, and for other purposes, the Secretary of the Army, acting through the Chief of Engineers, is authorized to construct and the Secretary of the

Alaska.  
Hydroelectric  
power develop-  
ment.

Interior is authorized to operate and maintain the Crater-Long Lakes division of the Snettisham project near Juneau, Alaska. The works of the division shall consist of pressure tunnels, surge tanks, penstocks, a powerplant, transmission facilities, and related facilities, all at an estimated cost of \$41,634,000.

Sale of power  
and energy.

(b) Electric power and energy generated at the division except that portion required in the operation of the division, shall be disposed of by the Secretary of the Interior in such a manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles. Rate schedules shall be drawn having regard to the recovery of the costs of producing and transmitting the power and energy, including the amortization of the capital investment over a reasonable period of years, with interest at the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term securities outstanding on the date of this Act and adjusted to the nearest one-eighth of 1 per centum. In the sale of such power and energy, preference shall be given to Federal agencies, public bodies, and cooperatives. It shall be a condition of every contract made under this Act for the sale of power and energy that the purchaser, if it be a purchaser for resale, will deliver power and energy to Federal agencies or facilities thereof within its transmission area at a reasonable charge for the use of its transmission facilities. All receipts from the transmission and sale of electric power and energy generated at said division shall be covered into the Treasury of the United States to the credit of miscellaneous receipts.

Contract author-  
ity.

(c) The appropriate Secretary is authorized to perform any and all acts and enter into such agreements as may be appropriate for the purpose of carrying the provisions of this Act into full force and effect, including the acquisition of rights and property, and the Secretary of the Army, when an appropriation shall have been made for the commencement of construction or the Secretary of the Interior in the case of operation and maintenance of said division, may, in connection with the construction or operation and maintenance of such division, enter into contracts for miscellaneous services for materials and supplies, as well as for construction, which may cover such periods of time as the appropriate Secretary may consider necessary but in which the liability of the United States shall be contingent upon appropriations being made therefor.

Small projects.  
64 Stat. 183;  
70 Stat. 522.

SEC. 205. Section 205 of the Flood Control Act of 1948, as amended (33 U.S.C. 701s), is amended (a) by striking out "\$10,000,000" and inserting in lieu thereof "\$25,000,000", (b) by striking out the term "small flood control projects" and inserting in lieu thereof the term "small projects for flood control and related purposes", and (c) by striking out "Provided, That not more than \$400,000 shall be allotted for this purpose at any single locality from the appropriations for any one fiscal year" and inserting in lieu thereof "Provided, That not more than \$1,000,000 shall be allotted under this section for a project at any single locality and the amount allotted shall be sufficient to complete Federal participation in the project".

Flood emergency  
preparation.  
69 Stat. 186.

SEC. 206. The first sentence of section 5 of the Flood Control Act approved August 18, 1941, as amended (33 U.S.C. 701n), is hereby further amended to read as follows: "That there is hereby authorized an emergency fund in the amount of \$15,000,000 to be expended in flood emergency preparation, in flood fighting and rescue operations, or in the repair or restoration of any flood control work threatened or destroyed by flood, including the strengthening, raising, extending, or other modification thereof as may be necessary in the discretion of the Chief of Engineers for the adequate functioning of the work for flood

control; in the emergency protection of federally authorized hurricane or shore protection being threatened when in the discretion of the Chief of Engineers such protection is warranted to protect against imminent and substantial loss to life and property; in the repair and restoration of any federally authorized hurricane or shore protective structure damaged or destroyed by wind, wave, or water action of other than an ordinary nature when in the discretion of the Chief of Engineers such repair and restoration is warranted for the adequate functioning of the structure for hurricane or shore protection."

SEC. 207. Section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944, as amended by section 4 of the Flood Control Act of July 24, 1946, and by section 209 of the Flood Control Act of 1954, is hereby further amended to read as follows:

Public park and recreational facilities.

68 Stat. 1266.  
16 USC 460d.

"SEC. 4. The Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to construct, maintain, and operate public park and recreational facilities at water resource development projects under the control of the Department of the Army, to permit the construction of such facilities by local interests (particularly those to be operated and maintained by such interests), and to permit the maintenance and operation of such facilities by local interests. The Secretary of the Army is also authorized to grant leases of lands, including structures or facilities thereon, at water resource development projects for such periods, and upon such terms and for such purposes as he may deem reasonable in the public interest: *Provided*, That leases to nonprofit organizations for park or recreational purposes may be granted at reduced or nominal considerations in recognition of the public service to be rendered in utilizing the leased premises: *Provided further*, That preference shall be given to Federal, State, or local governmental agencies, and licenses or leases where appropriate, may be granted without monetary considerations, to such agencies for the use of all or any portion of a project area for any public purpose, when the Secretary of the Army determines such action to be in the public interest, and for such periods of time and upon such conditions as he may find advisable: *And provided further*, That in any such lease or license to a Federal, State, or local governmental agency which involves lands to be utilized for the development and conservation of fish and wildlife, forests, and other natural resources, the licensee or lessee may be authorized to cut timber and harvest crops as may be necessary to further such beneficial uses and to collect and utilize the proceeds of any sales of timber and crops in the development, conservation, maintenance, and utilization of such lands. Any balance of proceeds not so utilized shall be paid to the United States at such time or times as the Secretary of the Army may determine appropriate. The water areas of all such projects shall be open to public use generally, without charge, for boating, swimming, bathing, fishing, and other recreational purposes, and ready access to and exit from such areas along the shores of such projects shall be maintained for general public use, when such use is determined by the Secretary of the Army not to be contrary to the public interest, all under such rules and regulations as the Secretary of the Army may deem necessary. No use of any area to which this section applies shall be permitted which is inconsistent with the laws for the protection of fish and game of the State in which such area is situated. All moneys received by the United States for leases or privileges shall be deposited in the Treasury of the United States as miscellaneous receipts."

Public use of water areas.

Protection of fish and game.



Utilization of  
public roads.  
33 USC 701r-1.

SEC. 208. Section 207 of the Flood Control Act of 1960 (74 Stat. 501) is hereby amended to read as follows:

"SEC. 207. (a) When used in this section—

"(1) The term 'Agency' means the Corps of Engineers, United States Army or the Bureau of Reclamation, United States Department of the Interior, whichever has jurisdiction over the project concerned.

"(2) The term 'head of the Agency concerned' means the Chief of Engineers or the Commissioner, Bureau of Reclamation, or their respective designees.

"(3) The term 'water resources projects to be constructed in the future' includes all projects not yet actually under construction, and, to the extent of work remaining to be completed, includes projects presently under construction where road relocations or identifiable components thereof are not complete as of the date of this section.

"(4) The term 'time of the taking' is the date of the relocation agreement, the date of the filing of a condemnation proceeding, or a date agreed upon between the parties as the date of taking.

"(b) Whenever, in connection with the construction of any authorized flood control, navigation, irrigation, or multiple-purpose project for the development of water resources, the head of the Agency concerned determines it to be in the public interest to utilize existing public roads as a means of providing access to such projects during construction, such Agency may improve, reconstruct, and maintain such roads and may contract with the local authority having jurisdiction over the roads to accomplish the necessary work. The accomplishment of such work of improvement may be carried out with or without obtaining any interest in the land on which the road is located in accordance with mutual agreement between the parties: *Provided*, (1) That the head of the Agency concerned determines that such work would result in a saving in Federal cost as opposed to the cost of providing a new access road at Federal expense, (2) that, at the completion of construction, the head of the Agency concerned will, if necessary, restore the road to at least as good condition as prior to the beginning of utilization for access during construction, and (3) that, at the completion of construction, the responsibility of the Agency for improvement, reconstruction, and maintenance shall cease.

"(c) For water resources projects to be constructed in the future, when the taking by the Federal Government of an existing public road necessitates replacement, the substitute provided will, as nearly as practicable, serve in the same manner and reasonably as well as the existing road. The head of the Agency concerned is authorized to construct such substitute roads to design standards comparable to those of the State, or, where applicable State standards do not exist, those of the owning political division in which the road is located, for roads of the same classification as the road being replaced. The traffic existing at the time of the taking shall be used in the determination of the classification. In any case where a State or political subdivision thereof requests that such a substitute road be constructed to a higher standard than that provided in the preceding provisions of this subsection, and pays, prior to commencement of such construction, the additional costs involved due to such higher standard, such Agency head is authorized to construct such road to such higher standard. Federal costs under the provisions of this subsection shall be part of the nonreimbursable project costs."

SEC. 209. The Secretary of the Army is hereby authorized and directed to cause surveys for flood control and allied purposes, including channel and major drainage improvements, and floods aggravated

Substitute  
roads.

Flood control  
surveys.  
Authorization.

by or due to wind or tidal effects, to be made under the direction of the Chief of Engineers, in drainage areas of the United States and its territorial possessions, which include the following named localities: *Provided*, That after the regular or formal reports made on any survey are submitted to Congress, no supplemental or additional report or estimate shall be made unless authorized by law except that the Secretary of the Army may cause a review of any examination or survey to be made and a report thereon submitted to Congress, if such review is required by the national defense or by changed physical or economic conditions: *Provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this title until the project for the proposed work shall have been adopted by law:

Valenciana River, Puerto Rico.

Waccasassa River (Levy County and Gilchrist County), Florida.

Lake Pontchartrain, North Shore, Louisiana.

Peytons Creek and tributaries, Texas.

Clear Creek, Texas.

San Bernard River, Texas.

Arkansas River Basin, with reference to the effect of the Eufaula and Keystone Reservoirs, Oklahoma, on the water supply facilities of the cities of McAlester and Yale, respectively, with a view to determining the extent, if any, of Federal participation in the replacement of the cities' water supply facilities in equity without regard to limitation contained in existing Corps of Engineers protective and relocation plans.

Cumberland River, Kentucky and Tennessee, with reference to the effect of the Barkley Dam project, on the water supply and sewage treatment facilities of the cities of Cadiz, Kuttawa, and Eddyville, Kentucky, and the State penitentiary at Eddyville, Kentucky, respectively, with a view to determining the extent, if any, of Federal participation in the replacement of their water supply and sewage treatment facilities in equity without regard to limitation contained in existing Corps of Engineers protective and relocation plans.

Missouri River Basin, with reference to the effect of Oahe and Garrison Reservoirs, North Dakota and South Dakota, on the sewage treatment facilities of the cities of Bismarck and Mandan, North Dakota, respectively, with a view to determining the extent, if any, of Federal participation in the sewage treatment facilities in equity without regard to limitation contained in existing Corps of Engineers protective and relocation plans.

All streams in Santa Barbara County, California, draining the Santa Ynez Mountains, except Santa Ynez River and tributaries.

Sacramento River Basin and streams in northern California draining into the Pacific Ocean for the purposes of developing, where feasible, multiple-purpose water resource projects, particularly those which would be eligible under the provisions of title III of Public Law 85-500.

Battle Creek, Sacramento River, California.

Kaskaskia River levees, Illinois; review of requirements of local cooperation.

Puget Sound, Washington, and adjacent waters, including tributaries, in the interest of flood control, navigation, and other water uses and related land resources.

Harbors and rivers in Hawaii, with a view to determining the advisability of improvements in the interest of navigation, flood control, hydroelectric power development, water supply, and other beneficial water uses, and related land resources.

Waimea River, Kokee Area, Kauai, Hawaii, for multiple purposes.  
Waipio River, Kohala-Hamakua coast, Island of Hawaii, for multiple purpose development.

Iao River, Wailuku, Maui, Hawaii.

Chicot County,  
Ark.  
Bridge replacement authorized.  
58 Stat. 894.

SEC. 210. The Secretary of the Army acting through the Corps of Engineers is hereby authorized to replace with adequate floodway capacity the bridge over Boeuf River, Chicot County, Arkansas, approximately three miles north of the county line, and the bridge over Big Bayou, Chicot County, Arkansas, approximately two miles upstream from its confluence with the Boeuf River which were altered as part of the project for Boeuf and Tensas Rivers and Bayou Macon, authorized by the Flood Control Act of December 22, 1944, and which were recently destroyed by floods, at an estimated cost of \$115,000.

W. Kerr Scott  
Dam and Reservoir.  
Designation.  
60 Stat. 645.

SEC. 211. The Wilkesboro Reservoir flood control project, Yadkin River, North Carolina, authorized by the Flood Control Act of 1946, shall hereafter be known and designated as the W. Kerr Scott Dam and Reservoir, in honor of the late Senator W. Kerr Scott of North Carolina. Any law, regulation, document, or record of the United States in which such project is designated or referred to shall be held and considered to refer to such project by the name of the W. Kerr Scott Dam and Reservoir.

Short title.

SEC. 212. Title II of this Act may be cited as the "Flood Control Act of 1962".

Approved October 23, 1962.

## Public Law 87-875

### AN ACT

October 24, 1962  
[H. R. 8517]

To grant emergency officers retirement benefits to certain persons who did not qualify therefor because their applications were not submitted before May 25, 1929.

Veterans.  
Officer's retirement benefits.  
72 Stat. 1263.  
38 USC prec.  
pt. 1 notes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 11 of Public Law 85-857 is amended (1) by inserting "(a)" immediately after "SEC. 11."; and (2) by adding at the end thereof the following:

"(b) Any individual who, upon application therefor before May 25, 1929, would have been granted emergency officer's retirement pay based upon 30 per centum or more disability under the Act of May 24, 1928 (45 Stat. 735), and who would have been entitled to continue to receive such pay under section 10 of Public Numbered 2, Seventy-third Congress, or under section 1 of Public Numbered 743, Seventy-sixth Congress, and who upon being placed on the emergency officer's retired list would have been paid retired pay at a monthly rate lower than the monthly rate of disability compensation then payable, shall, upon application made therefor after the date of enactment of this subparagraph to the Administrator of Veterans' Affairs, be placed upon the appropriate emergency officer's retired list, and thereafter shall be entitled to all rights, privileges, and benefits of retired emergency officers of World War I."

48 Stat. 10.

54 Stat. 760.

72 Stat. 1216.

38 USC 1901-1905.

The limitations of time contained in section 1905 of title 38, United States Code, are hereby waived in favor of Walter J. Johnson (Veterans' Administration claim numbered C-6048500), and his application for benefits under chapter 39 of title 38, United States Code, shall be acted upon under the remaining provisions of such chapter if he applies for such benefits within the six-month period which begins on the date of enactment of this Act.

Approved October 24, 1962.

## Public Law 87-876

## AN ACT

October 24, 1962  
[H. R. 6371]

To amend the Internal Revenue Code of 1954 with respect to the limitation on retirement income, and with respect to the taxable year for which the deduction for interest paid will be allowable to certain building and loan associations, mutual savings banks, and cooperative banks.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 37(d) of the Internal Revenue Code of 1954 (relating to limitation on retirement income) is amended to read as follows:

Internal Revenue.  
Retirement in-  
come, limitations.  
26 USC 37.

“(d) LIMITATION ON RETIREMENT INCOME.—For purposes of subsection (a), the amount of retirement income shall not exceed \$1,524 less—

“(1) in the case of any individual, any amount received by the individual as a pension or annuity—

“(A) under title II of the Social Security Act,

42 USC 401-  
425.

“(B) under the Railroad Retirement Acts of 1935 or 1937, or

49 Stat. 967.  
45 USC 215-228.  
50 Stat. 307.  
45 USC 228a-  
228s-1.

“(C) otherwise excluded from gross income, and

“(2) in the case of any individual who has not attained age 72 before the close of the taxable year—

“(A) if such individual has not attained age 62 before the close of the taxable year, any amount of earned income (as defined in subsection (g)) in excess of \$900 received by such individual in the taxable year, or

“(B) if such individual has attained age 62 before the close of the taxable year, the sum of (i) one-half the amount of earned income received by such individual in the taxable year in excess of \$1,200 but not in excess of \$1,700, and (ii) the amount of earned income so received, in excess of \$1,700.”

SEC. 2. The amendment made by the first section of this Act shall apply only to taxable years ending after the date of the enactment of this Act.

Effective date.

SEC. 3. (a) Section 461 of the Internal Revenue Code of 1954 (relating to general rule for taxable year of deduction) is amended by adding at the end thereof the following new subsection:

Deductions.  
Dividends or  
interest paid.  
26 USC 461.

“(e) DIVIDENDS OR INTEREST PAID ON CERTAIN DEPOSITS OR WITHDRAWABLE ACCOUNTS.—Except as provided in regulations prescribed by the Secretary or his delegate, amounts paid to, or credited to the accounts of, depositors or holders of accounts as dividends or interest on their deposits or withdrawable accounts (if such amounts paid or credited are withdrawable on demand subject only to customary notice to withdraw) by a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, or a cooperative bank shall not be allowed as a deduction for the taxable year to the extent such amounts are paid or credited for periods representing more than 12 months. Any such amount not allowed as a deduction as the result of the application of the preceding sentence shall be allowed as a deduction for such other taxable year as the Secretary or his delegate determines to be consistent with the preceding sentence.”

(b) The amendment made by subsection (a) shall apply only with respect to taxable years ending after December 31, 1962.

Effective  
date.

Approved October 24, 1962.

## Public Law 87-877

October 24, 1962  
[H. R. 11586]

## AN ACT

To amend section 502 of the Merchant Marine Act, 1936, as amended, and for other purposes.

Merchant Marine  
Act, 1936, amend-  
ment.  
52 Stat. 956.  
Construction  
differential sub-  
sidy.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 502(b) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is hereby further amended to read as follows:

“(b) The amount of the reduction in selling price which is herein termed ‘construction differential subsidy’ may equal, but not exceed, the excess of the bid of the shipbuilder constructing the proposed vessel (excluding the cost of any features incorporated in the vessel for national defense uses, which shall be paid by the Secretary in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Secretary, of the construction of the proposed vessel if it were constructed under similar plans and specifications (excluding national defense features as above provided) in a foreign shipbuilding center which is deemed by the Secretary to furnish a fair and representative example for the determination of the estimated foreign cost of construction of vessels of the type proposed to be constructed. The construction differential approved and paid by the Secretary shall not exceed 55 per centum of the construction cost of the vessel, except that in the case of reconstruction or reconditioning of a passenger vessel having the tonnage, speed, passenger accommodations and other characteristics set forth in section 503 of this Act, the construction differential approved and paid shall not exceed 60 per centum of the reconstruction or reconditioning cost (excluding the cost of national defense features as above provided): *Provided, however,* That after June 30, 1964, the construction differential approved by the Secretary shall not exceed in the case of the construction, reconstruction or reconditioning of any vessel, 50 per centum of such cost. When the Secretary finds that the construction differential in any case exceeds the foregoing applicable percentage of such cost, the Secretary may negotiate and contract on behalf of the applicant to construct, reconstruct, or recondition such vessel in a domestic shipyard at a cost which will reduce the construction differential to such applicable percentage or less. In the event that the Secretary has reason to believe that the bidding in any instance is collusive, he shall report all of the evidence on which he acted (1) to the Attorney General of the United States, and (2) to the President of the Senate and to the Speaker of the House of Representatives if the Congress shall be in session or if the Congress shall not be in session, then to the Secretary of the Senate and Clerk of the House, respectively.”

SEC. 2. (a) The Merchant Marine Act, 1936 (49 Stat. 1985), is amended by striking out subsection (d) of section 502: *Provided, however,* That the repeal of subsection (d) of section 502 of the Merchant Marine Act, 1936, shall not be effective with respect to contracts for new ship construction under title V of said Act awarded on the basis of bids opened prior to the date of the enactment of this Act.

(b) Section 509 of the Merchant Marine Act, 1936 (46 U.S.C. 1159), is amended by striking out “: *And provided,* That in case a vessel is to be constructed under this section for an applicant who has as his principal place of business a place on the Pacific coast of the United States” and all that follows in that section down through and including “maintains his principal place of business at any place on the Pacific coast.” and insert in lieu thereof a period.

46 USC 1153.

46 USC 1152.

46 USC 1151-  
1161.

49 Stat. 2000.

(c) Section 213 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1123), is amended by striking out "a report" and inserting in lieu thereof "reports" and by striking out "as soon as practicable".

49 Stat. 1991.

(d) Paragraph (c) of said section 213 is amended by striking out the period at the end thereof and adding the following "; reports under this paragraph shall be made annually on the first day of July of each year."

(e) The first sentence of subsection (f) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152), is amended by striking out "periodically" and inserting in lieu thereof "at least once each year".

52 Stat. 957.

(f) The second sentence of subsection (f) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152), is amended (1) by striking out the words "with the approval of the President," and (2) by striking out "existing inadequacy" and inserting in lieu thereof "existing or impending inadequacy".

SEC. 3. The Act entitled "An Act to amend title V of the Merchant Marine Act, 1936, in order to change the limitation of the construction differential subsidy under such title, and for other purposes", approved July 7, 1960 (74 Stat. 362), is amended by inserting at the end thereof a new section as follows:

"SEC. 4. No official or employee of the United States Government nor any member of their immediate families may accept directly or indirectly free or at a reduced rate passenger travel or carriage of personal property on any ship sailing under a flag other than that of the United States. This restriction shall not apply to persons injured in accidents at sea and physicians and nurses attending such persons, and persons rescued at sea, and this restriction shall not apply to persons referred to in section 405(b) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1145(b)), relating to steamship companies carrying the mails of the United States. Any person who knowingly violates this section shall upon conviction thereof be fined not less than \$500 nor more than \$10,000 at the discretion of the courts for each such violation."

SEC. 4. (a) During the one-year period which begins on the date of enactment of this Act, the provisions of section 27 of the Merchant Marine Act, 1920 (46 U.S.C. 883) shall be suspended with respect to the transportation of lumber to the Commonwealth of Puerto Rico from any ports or terminal areas in the United States whenever the Secretary of Commerce, after notice and opportunity for hearing, determines that there is no domestic vessel reasonably available to serve between such ports or terminal areas for the transportation of such lumber. Such determination shall be made within 45 days after application for suspension and shall be final and conclusive and no other official or any court of the United States shall have power or jurisdiction to review any such determination. Upon making the determination provided for in this section, the Secretary of Commerce shall establish such terms, conditions, and regulations with respect to operations under such suspension as he determines to be in the national interest.

49 Stat. 442.

(b) Any suspension under the provisions of this Act shall terminate whenever the Secretary of Commerce determines that conditions required in the subsection (a) of this section for such suspension no longer exist, or upon the expiration of the one-year period which begins on the date of enactment of this Act, whichever first occurs.

(c) No Federal laws shall apply to any water carrier because of operations under a suspension provided for in this Act if such laws did not apply to such carrier prior to such suspension.

Effective date.

SEC. 5. The amendment made by the first section of this Act shall be effective only with respect to contracts entered into with respect to (a) the construction of a vessel the keel of which was laid after June 30, 1959, or (b) the reconstruction or reconditioning of a vessel the shipyard contract for which was entered into after June 30, 1959, and the Secretary may, with the consent of the parties thereto, modify any such contract entered into prior to the date of the enactment of this Act to the extent authorized by the amendment made by this Act.

Approved October 24, 1962.

## Public Law 87-878

October 24, 1962  
[H. R. 12820]

## AN ACT

To validate the coverage of certain State and local employees in the State of Arkansas under the agreement entered into by such State pursuant to section 218 of the Social Security Act, and for other purposes.

Social security.  
Coverage valida-  
tion.  
64 Stat. 514.  
42 USC 418.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for purposes of the agreement under section 218 of the Social Security Act entered into by the State of Arkansas, where employees of an integral unit of a political subdivision of the State of Arkansas have in good faith been included under the State's agreement as a coverage group on the basis that such integral unit of a political subdivision was a political subdivision, then such unit of the political subdivision shall, for purposes of section 218(b)(2) of such Act, be deemed to be a political subdivision, and employees performing services within such unit shall be deemed to be a coverage group, effective with the effective date specified in such agreement or modification of such agreement with respect to such coverage group and ending with the last day of the year in which this Act is enacted.

70 Stat. 826.

SEC. 2. Section 218(p) of the Social Security Act is amended by inserting "Maine," after "Kansas,".

Tariff Act of  
1930, amend-  
ment.  
19 USC 1001,  
par. 1518.

SEC. 3. (a) Paragraph 1518(a) of the Tariff Act of 1930 is amended—

(1) by striking out "when bleached, 50 per centum ad valorem;" and

(2) by striking out "or other material above mentioned, shall be subject to the rate of duty provided in this paragraph for such materials" and inserting in lieu thereof "or other material above mentioned, or wholly or in chief value of any bleached natural grasses, grains, leaves, plants, shrubs, herbs, trees, or parts thereof provided for in paragraph 1722, shall be subject to the rate of duty provided for such materials".

19 USC 1201,  
par. 1722.

(b) Paragraph 1722 of the Tariff Act of 1930 is amended by striking out "and" before "seaweeds", and by inserting before the period at the end of such paragraph the following: "; and natural grasses, grains, leaves, plants, shrubs, herbs, trees, and parts thereof, not specially provided for, not further advanced than bleached".

Effective  
date.

SEC. 4. The amendments made by section 3 of this Act shall apply to articles entered, or withdrawn from warehouse, for consumption, after the date of the enactment of this Act.

Approved October 24, 1962.

## Public Law 87-879

## AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

October 24, 1962  
[H. R. 12648]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963; namely:

Department  
of Agriculture and  
Related Agencies  
Appropriation Act,  
1963.

## DEPARTMENT OF AGRICULTURE

## TITLE I—GENERAL ACTIVITIES

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, and home economics, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$15,000, except for four buildings to be constructed or improved at a cost not to exceed \$30,000 each and one building to be constructed at a cost not to exceed \$50,000, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for conversion of animal disease and parasite research facilities at Beltsville, Maryland:

58 Stat. 742.

60 Stat. 810.

58 Stat. 742.

Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for expanded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration and equipping of facilities: \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, \$400,000 for Mandan, North Dakota, \$125,000 for the Southern Piedmont soil and water facility, \$585,000 for Tucson, Arizona, \$500,000 for the regional tree fruit and nut crops



station in the Southeast, \$165,000 for the research station at Carbondale, Illinois, and \$160,000 for improvement of heating, water and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$86,123,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113(a)) ;

62 Stat. 198.

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$58,055,500, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That, \$150,000 shall be available, notwithstanding the foregoing limitations, for the construction and equipping of facilities and acquisition of the necessary land therefor by purchase, donation, or exchange: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1964 that does not require minimum matching by any State of at least 40 per centum: *Provided*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

61 Stat. 7.  
31 USC 665.

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat, and meat-food products, and the applicable provisions of the laws relating to process or renovated butter, \$25,000,000.

Special fund: To provide for additional labor to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$1,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

#### SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)(k)), to remain available until expended, \$5,265,000: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies: *Provided further*, That funds appropriated herein shall be used to pur-

68 Stat. 455.

72 Stat. 275.

chase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for purchase of foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

58 Stat. 742.

60 Stat. 810.

## COOPERATIVE STATE EXPERIMENT

### STATION SERVICE

#### PAYMENTS AND EXPENSES

For payments to agricultural experiment stations and other expenses, including \$37,113,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$500,000 for payments authorized under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623); \$250,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$344,000 for necessary expenses of the Cooperative State Experiment Station Service, including administration of payments to State agricultural experiment stations, of which not more than \$25,000 shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$38,207,000.

69 Stat. 671.

60 Stat. 1089.

7 USC 361f.

58 Stat. 742.

60 Stat. 810.

### EXTENSION SERVICE

#### COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), \$62,020,000; and payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,570,000; in all, \$63,590,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

67 Stat. 83.

69 Stat. 683.

60 Stat. 1089.

7 USC 343.

Retirement costs for extension agents: For cost of employer's share of Federal retirement for cooperative extension employees, \$6,765,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$2,490,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$2,499,500.

## FARMER COOPERATIVE SERVICE

## SALARIES AND EXPENSES

44 Stat. 802. For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), \$682,000.

## SOIL CONSERVATION SERVICE

## CONSERVATION OPERATIONS

49 Stat. 163. For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, \$90,705,500: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

## WATERSHED PROTECTION

68 Stat. 666.  
49 Stat. 163. For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), to remain available until expended, \$60,585,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That not to exceed \$100,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed \$3,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

## FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended; \$25,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

49 Stat. 1570;  
74 Stat. 131.58 Stat. 742.  
60 Stat. 810.

## GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), \$12,250,000, to remain available until expended.

70 Stat. 1115.

## ECONOMIC RESEARCH SERVICE

## SALARIES AND EXPENSES

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$9,500,000: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That not to exceed \$75,000 of the appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

60 Stat. 1087.

58 Stat. 742.  
60 Stat. 810.

## STATISTICAL REPORTING SERVICE

## SALARIES AND EXPENSES

60 Stat. 1087. For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, \$9,693,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop.

## AGRICULTURAL MARKETING SERVICE

## MARKETING RESEARCH AND SERVICE

58 Stat. 742.  
60 Stat. 810.  
52 Stat. 36.  
7 USC 1622.  
58 Stat. 742. For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith; research and development, including related cost and efficiency evaluations, and services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; and not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946, \$39,794,500: *Provided*, That appropriations hereunder shall be available pursuant to 5 U.S.C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$15,000, except for two buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater.

## PAYMENTS TO STATES AND POSSESSIONS

60 Stat. 1089. For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,425,000.

## SPECIAL MILK PROGRAM

7 USC 1446  
note. For necessary expenses to carry out the Special Milk Program, as authorized by the Act of August 8, 1961 (75 Stat. 319), \$105,000,000.

## SCHOOL LUNCH PROGRAM

60 Stat. 230.  
42 USC 1754.  
49 Stat. 774.  
7 USC 612c.  
42 USC 1755. For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751–1760), \$125,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

## FOREIGN AGRICULTURAL SERVICE

## SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$16,895,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

68 Stat. 908.

70 Stat. 1034.

49 Stat. 774.

## SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development activities authorized by section 104(a) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)), \$4,000,000, to remain available until expended: *Provided*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies.

68 Stat. 455.

## COMMODITY EXCHANGE AUTHORITY

## SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1–17a), \$1,022,000.

42 Stat. 998;  
49 Stat. 1491.

## AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

## EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

For necessary administrative expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301–1393); Sugar Act of 1948 (7 U.S.C. 1101–1161); sections 7 to 15, 16(a), 16(d), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g–590o, 590p(a), and 590q) as added by section 132 of the Act of August 8, 1961; and subtitles B and C of the Soil Bank Act (7 U.S.C. 1831–1837, 1802–1814, and 1816), \$95,423,000: *Provided*, That, in addition, not to exceed \$51,379,500 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund, and additional amounts not to exceed \$30,000,000, may be transferred con-

tingent upon the enactment of H.R. 12391, Food and Agriculture Act of 1962.

*Ante*, p. 605.

#### SUGAR ACT PROGRAM

61 Stat. 922.

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101–1161), \$77,650,000, to remain available until June 30 of the next succeeding fiscal year.

#### AGRICULTURAL CONSERVATION PROGRAM

49 Stat. 1149.

74 Stat. 236;  
75 Stat. 233.

49 Stat. 1148.  
16 USC 590g-  
590q.

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g–590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$212,900,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Related Agencies Appropriation Acts, 1961 and 1962, carried out during the period July 1, 1960, to December 31, 1962, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the 1963 program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the 1963 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the 1963 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1963 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Depart-

ment, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147;  
54 Stat. 767.  
5 USC 1181 *et seq.*  
62 Stat. 792.

#### CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, \$300,000,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

70 Stat. 191;  
73 Stat. 552.

#### OFFICE OF THE GENERAL COUNSEL

##### SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$3,695,000.

#### OFFICE OF INFORMATION

##### SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,610,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

34 Stat. 690.

28 Stat. 612.

58 Stat. 742.  
60 Stat. 810.

#### NATIONAL AGRICULTURAL LIBRARY

##### SALARIES AND EXPENSES

For necessary expenses of the National Agricultural Library, \$1,153,500.



## GENERAL ADMINISTRATION

## SALARIES AND EXPENSES

60 Stat. 237.

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, including expenses of the National Agricultural Advisory Commission; repairs and alterations; and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; \$3,341,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001): *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$225,000 shall be transferred by the Secretary from other appropriations available to the Department of Agriculture for the expenses of the Office of Internal Audit and Inspection.

## TITLE II—CREDIT AGENCIES

## RURAL ELECTRIFICATION ADMINISTRATION

49 Stat. 1363.

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901–924), as follows:

## LOAN AUTHORIZATIONS

7 USC 907,  
903.

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, as follows: Rural electrification program, \$400,000,000, of which \$100,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly development of the rural electrification and rural telephone programs; and rural telephone program, \$80,000,000.

## SALARIES AND EXPENSES

58 Stat. 742.  
60 Stat. 810.

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,024,000.

## FARMERS HOME ADMINISTRATION

## DIRECT LOAN ACCOUNT

7 USC 1985.  
7 USC 1921 note.

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$50,000,000; and operating loans, \$290,000,000, of which \$50,000,000 shall be placed in reserve to be used only to the extent required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly conduct of the loan program.

## SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307), title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1484), and the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); \$34,582,000, together with not more than \$1,050,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, and section 514(b) (3) of the Housing Act of 1949, as amended.

7 USC 1921  
note.

75 Stat. 309.  
7 USC 1929.  
42 USC 1484.

## TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

61 Stat. 584.  
31 USC 849.

## FEDERAL CROP INSURANCE CORPORATION

## ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$6,799,000.

## FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$3,080,000 of administrative and operating expenses may be paid from premium income.

## COMMODITY CREDIT CORPORATION

## REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained during the fiscal year ending June 30, 1961, pursuant to the Act of August 17, 1961 (75 Stat. 391), \$2,278,455,000.

15 USC 713a-11.

## REIMBURSEMENT FOR SPECIAL MILK PROGRAM

To reimburse the Commodity Credit Corporation for amounts advanced for the fiscal year beginning July 1, 1961, for the special milk program for children pursuant to the Act of July 1, 1958, as amended (7 U.S.C. 1446; 75 Stat. 147-148, 319), \$95,000,000.

## LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$43,188,500 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679

31 USC 665.

of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledge collateral, shall be considered as nonadministrative expenses for the purposes hereof.

#### TITLE IV—FOREIGN ASSISTANCE PROGRAMS

##### PUBLIC LAW 480

68 Stat. 455,  
457; 73 Stat. 606.

For expenses during fiscal year 1963, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1709, 1721-1724, 1731-1736), to remain available until expended, as follows: (1) Sale of surplus agricultural commodities for foreign currencies pursuant to title I of said Act, \$1,080,632,000; (2) commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of said Act, \$250,000,000; and (3) long-term supply contracts pursuant to title IV of said Act, \$40,000,000.

##### INTERNATIONAL WHEAT AGREEMENT

For expenses during fiscal year 1963 and unrecovered prior years' cost, including interest thereon, under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642), \$81,218,000, to remain available until expended.

##### BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

70 Stat. 200;  
73 Stat. 611.

For expenses during fiscal year 1963 and unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000, to remain available until expended.

#### TITLE V—RELATED AGENCIES

##### FARM CREDIT ADMINISTRATION

##### LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$2,565,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses.

## TITLE VI—GENERAL PROVISIONS

SEC. 601. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed four hundred and seventy-six passenger motor vehicles, of which four hundred and forty-three shall be for replacement only, and for the hire of such vehicles.

Passenger motor vehicles.

SEC. 602. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

Employment of aliens.

SEC. 603. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

68 Stat. 1114.  
Restriction.

SEC. 604. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 605. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Twine.

SEC. 606. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

Contracting.

This Act may be cited as the "Department of Agriculture and Related Agencies Appropriation Act, 1963".

60 Stat. 1082,  
1087; 72 Stat.  
1793.  
Short title.

Approved October 24, 1962.

## Public Law 87-880

## AN ACT

October 24, 1962  
[H. R. 12900]

Making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and certain river basin commissions for the fiscal year ending June 30, 1963, and for other purposes.

Public Works  
Appropriation Act,  
1963.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1963, for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and certain river basin commissions, and for other purposes, namely:

## TITLE I—DEPARTMENT OF DEFENSE—CIVIL

## DEPARTMENT OF THE ARMY

## CEMETERIAL EXPENSES

## SALARIES AND EXPENSES

For necessary cemeterial expenses as authorized by law, including maintenance, operation, and improvement of national cemeteries, and purchase of headstones and markers for unmarked graves; purchase of one passenger motor vehicle for replacement only; maintenance of that portion of Congressional Cemetery to which the United States has title, Confederate burial places under the jurisdiction of the Department of the Army, and graves used by the Army in commercial cemeteries; \$10,276,000: *Provided*, That this appropriation shall not be used to repair more than a single approach road to any national cemetery: *Provided further*, That this appropriation shall not be obligated for construction of a superintendent's lodge or family quarters at a cost per unit in excess of \$17,000, but such limitation may be increased by such additional amounts as may be required to provide office space, public comfort rooms, or space for the storage of Government property within the same structure: *Provided further*, That reimbursement shall be made to the applicable military appropriation for the pay and allowances of any military personnel performing services primarily for the purposes of this appropriation.

## CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes:

## GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, and when authorized by law, surveys and studies (including cooperative beach erosion studies as authorized in Public Law 520, approved July 3, 1930, as amended and supplemented), of projects prior to authorization for construction, \$17,870,300, to remain

available until expended: *Provided*, That \$100,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563-565) to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Department of the Army. 16 USC 661  
note.

#### CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction); \$792,845,500, to remain available until expended: *Provided*, That no part of this appropriation shall be used for projects not authorized by law or which are authorized by law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated: *Provided further*, That none of the funds appropriated for "Construction, General", in this Act shall be used on the project "Missouri River, Kansas City to mouth", for any purpose other than bank stabilization work: *Provided further*, That \$600,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563-565) to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Department of the Army. Restriction.

#### OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; financing the United States share of the cost of operation and maintenance of remedial works in the Niagara River; activities of the California Debris Commission; administration of laws pertaining to preservation of navigable waters; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; removal of obstructions to navigation; and rescue work, and repair, or restoration of flood control projects threatened or destroyed by flood; \$143,539,000, to remain available until expended.

#### GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors and the Beach Erosion Board; commercial statistics; and miscellaneous investigations; \$13,580,000.

## FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), \$73,504,000, to remain available until expended: *Provided*, That funds herein appropriated for planning on Cache River, Arkansas, shall be used to the extent necessary to study the effect of the project on agricultural lands along the lower Cache River and along the White River downstream from the confluence to determine whether additional protection should be provided for these lands in connection with the Cache River project and for preparation and submission of a report thereon to the Appropriation Committees.

45 Stat. 534;  
49 Stat. 1511.

## UNITED STATES SECTION, SAINT LAWRENCE RIVER JOINT BOARD OF ENGINEERS

For necessary expenses of the United States section of the Saint Lawrence River Joint Board of Engineers, established by Executive Order 10500, dated November 4, 1953, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$100 per day for individuals; \$20,000: *Provided*, That no part of these funds shall be obligated until agreement has been entered into, by the United States Government and the United States entity authorized to construct the power works in the International Rapids section of the Saint Lawrence River, providing for the reimbursement of the expenditures of the United States section of this Board by the construction entity.

3 CFR 1949-  
1953, Comp.,  
p. 978.  
60 Stat. 810.

## ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for expenses of attendance by military personnel of meetings in the manner authorized by section 19(b) of the Act of July 7, 1958 (72 Stat. 336), uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed two hundred and sixteen, of which one hundred and ninety shall be for replacement only) and hire of passenger motor vehicles.

5 USC 2318.

68 Stat. 1114.

## THE PANAMA CANAL

## CANAL ZONE GOVERNMENT

## OPERATING EXPENSES

For operating expenses necessary for the Canal Zone Government, including operation of the Postal Service of the Canal Zone; hire of passenger motor vehicles; uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); expenses incident to conducting hearings on the Isthmus; expenses of special training of employees of the Canal Zone Government as authorized by law (2 C.Z. Code, Sec. 85 as added by 63 Stat. 602; 5 U.S.C. 2301 et seq.); contingencies of the Governor; residence for the Governor; medical aid and support of the insane and of lepers and aid and support of indigent persons legally within the Canal Zone, including expenses of their deportation when practicable;

76A Stat. 1.  
72 Stat. 327.

remodeling Army buildings, in the Canal Zone, for temporary use as school classrooms; and payments of not to exceed \$50 in any one case to persons within the Government service who shall furnish blood for transfusions; \$22,772,000.

#### CAPITAL OUTLAY

For acquisition of land and land under water and acquisition, construction, and replacement of improvements, facilities, structures, and equipment, as authorized by law (2 C.Z. Code, Sec. 3; 2 C.Z. Code, Sec. 16, as added by 63 Stat. 600), including the purchase of not to exceed seven passenger motor vehicles for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and expenses incident to the retirement of such assets; \$3,120,000, to remain available until expended: *Provided*, That notwithstanding the limitation under this head in the Second Supplemental Appropriation Act, 1961, appropriations for "capital outlay" may be used for expenses related to the construction of quarters for non-U.S. citizen employees at a unit cost not exceeding \$16,500.

74 Stat. 827.

#### PANAMA CANAL COMPANY

##### CORPORATION

The Panama Canal Company is hereby authorized to make such expenditures within the limits of funds and borrowing authority available to it and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation, except as hereinafter provided:

61 Stat. 584.

#### LIMITATION ON GENERAL AND ADMINISTRATIVE EXPENSES, PANAMA CANAL COMPANY

Not to exceed \$8,113,000 of the funds available to the Panama Canal Company shall be available during the current fiscal year for general and administrative expenses of the Company, which shall be computed on an accrual basis. Funds available to the Panama Canal Company for operating expenses shall be available for the purchase of not to exceed sixteen passenger motor vehicles for replacement only, and for uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

68 Stat. 1114.

#### GENERAL PROVISION—THE PANAMA CANAL

The Governor of the Canal Zone is authorized to employ services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in an amount not exceeding \$30,000: *Provided*, That the rates for individuals shall not exceed \$100 per diem.

60 Stat. 810.

### TITLE II—DEPARTMENT OF THE INTERIOR

#### BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau, as follows:

43 USC 371 note.



## GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation and other projects for which the Secretary may have power marketing responsibilities under section 5 of the Flood Control Act of 1944 and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, including not to exceed \$350,000 for investigations of projects in Alaska, to remain available until expended, \$8,400,000, of which \$7,010,000 shall be derived from the reclamation fund and \$500,000 shall be derived from the Colorado River development fund: *Provided*, That none of this appropriation shall be used for more than one-half of the cost of an investigation requested by a State, municipality, or other interest: *Provided further*, That \$290,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563-565) to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Bureau of Reclamation.

58 Stat. 890.  
16 USC 825s.

16 USC 661  
note.

## CONSTRUCTION AND REHABILITATION

For construction and rehabilitation of authorized reclamation projects or parts thereof (including power transmission facilities) and for other related activities, as authorized by law, to remain available until expended, \$158,218,000, of which \$75,000,000 shall be derived from the reclamation fund: *Provided*, That no part of this appropriation shall be used to initiate the construction of transmission facilities within those areas covered by power wheeling service contracts which include provision for service to Federal establishments and preferred customers, except those transmission facilities for which construction funds have been heretofore appropriated, those facilities which are necessary to carry out the terms of such contracts or those facilities for which the Secretary of the Interior finds the wheeling agency is unable or unwilling to provide for the integration of Federal projects or for service to a Federal establishment or preferred customer.

## OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and of other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, \$36,444,600, of which \$31,319,000 shall be derived from the reclamation fund and \$1,481,000 shall be derived from the Colorado River Dam fund: *Provided*, That funds advanced for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and the unexpended balances of such advances shall be credited to the appropriation for the next succeeding fiscal year.

## LOAN PROGRAM

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as

amended (43 U.S.C. 421a-421d), and August 6, 1956 (43 U.S.C. 422a-422k), as amended (71 Stat. 48), including expenses necessary for carrying out the program, \$12,517,000, to remain available until expended: *Provided*, That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197).

69 Stat. 244.  
70 Stat. 1044.

43 USC 388.

#### EMERGENCY FUND

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), to remain available until expended for the purposes specified in said Act, \$1,000,000, to be derived from the reclamation fund.

62 Stat. 1052.

#### UPPER COLORADO RIVER STORAGE PROJECT

For the Upper Colorado River Storage Project, as authorized by the Act of April 11, 1956 (43 U.S.C. 620d), to remain available until expended, \$107,808,000, of which \$104,576,000 shall be available for the "Upper Colorado River Basin Fund" authorized by section 5 of said Act of April 11, 1956, and \$3,232,000 shall be available for construction of recreational and fish and wildlife facilities authorized by section 8 thereof, and may be expended by bureaus of the Department through or in cooperation with State or other Federal agencies, and advances to such Federal agencies are hereby authorized: *Provided*, That no part of the funds herein appropriated shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any National Monument.

70 Stat. 107.

70 Stat. 110.  
43 USC 620g.

#### GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the offices of the Commissioner of Reclamation and in the regional offices of the Bureau of Reclamation, \$9,300,000, to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

59 Stat. 54.

#### SPECIAL FUNDS

Sums herein referred to as being derived from the reclamation fund, the Colorado River Dam fund, or the Colorado River development fund, are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391), the Act of December 21, 1928 (43 U.S.C. 617a), and the Act of July 19, 1940 (43 U.S.C. 618a), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the heads "Operation and Maintenance" and "General Administrative Expenses" shall revert and be credited to the special fund from which derived.

32 Stat. 388.  
45 Stat. 1057;  
54 Stat. 774.

#### ADMINISTRATIVE PROVISIONS

Appropriations to the Bureau of Reclamation shall be available for purchase of not to exceed seventy-two passenger motor vehicles for replacement only; purchase of two aircraft for replacement only;

58 Stat. 487.

49 Stat. 666.

59 Stat. 54.

payment of claims for damage to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expense of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiation and administration of interstate compacts without reimbursement or return under the reclamation laws; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriation Act, 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Act of August 21, 1935 (16 U.S.C. 461-467): *Provided*, That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses" and amounts provided for reconnaissance, basin surveys, and general engineering and research under the head "General Investigations".

Allotments to the Missouri River Basin project from the appropriation under the head "Construction and Rehabilitation" shall be available additionally for said project for those functions of the Bureau of Reclamation provided for under the head "General Investigations" (but this authorization shall not preclude use of the appropriation under said head within that area), and for the continuation of investigations by agencies of the Department on a general plan for the development of the Missouri River Basin. Such allotments may be expended through or in cooperation with State and other Federal agencies, and advances to such agencies are hereby authorized.

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

Restrictions.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided*, That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665).

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefit of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual, when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

Limitation.

Not to exceed \$225,000 may be expended from the appropriation "Construction and rehabilitation" for work by force account on any one project or Missouri Basin unit and then only when such work is unsuitable for contract or no acceptable bid has been received and, other than otherwise provided in this paragraph or as may be necessary to meet local emergencies, not to exceed 12 per centum of the construction allotment for any project from the appropriation "Con-

struction and rehabilitation" contained in this Act shall be available for construction work by force account: *Provided*, That this paragraph shall not apply to work performed under the Rehabilitation and Betterment Act of 1949 (63 Stat. 724).

After September 30, 1962, the position of Commissioner of Reclamation shall have the annual rate of compensation as provided for positions listed in section 2205 (a) of title 5, United States Code, so long as held by the present incumbent.

43 USC 504 and  
note.

## BONNEVILLE POWER ADMINISTRATION

### CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, as authorized by law, and purchase of one aircraft, \$29,800,000, to remain available until expended.

### OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of the Bonneville transmission system and of marketing electric power and energy, \$12,713,000.

### ADMINISTRATIVE PROVISIONS

Appropriations of the Bonneville Power Administration shall be available to carry out all the duties imposed upon the Administrator pursuant to law. Appropriations made herein to the Bonneville Power Administration shall be available in one fund, except that the appropriation herein made for operation and maintenance shall be available only for the service of the current fiscal year.

Other than as may be necessary to meet local emergencies, not to exceed 12 per centum of the appropriation for construction herein made for the Bonneville Power Administration shall be available for construction work by force account or on a hired-labor basis.

## SOUTHEASTERN POWER ADMINISTRATION

### OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, \$800,000 including purchase of two passenger motor vehicles of which one is for replacement only.

58 Stat. 890.

## SOUTHWESTERN POWER ADMINISTRATION

### CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, \$7,210,000, to remain available until expended.

### OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of power transmission facilities of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944

58 Stat. 890.

(16 U.S.C. 825s), as applied to the southwestern power area, including purchase of not to exceed four passenger motor vehicles for replacement only, \$1,450,000.

## CONTINUING FUND

Not to exceed \$5,000,000 shall be available during the current fiscal year from the continuing fund for all costs in connection with the purchase of electric power and energy, and rentals for the use of transmission facilities.

## GENERAL PROVISIONS—DEPARTMENT OF THE INTERIOR

Emergency funds.

SEC. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Fire prevention.

SEC. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

Operation of  
warehouses, etc.

SEC. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 686): *Provided*, That reimbursements for costs of supplies, materials and equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

47 Stat. 417.

Restriction.

SEC. 204. No part of any funds made available by this Act to the Southwestern Power Administration may be made available to any other agency, bureau, or office for any purposes other than for services rendered pursuant to law to the Southwestern Power Administration.

## TITLE III—INDEPENDENT OFFICES

## ATOMIC ENERGY COMMISSION

## OPERATING EXPENSES

68 Stat. 919.  
42 USC 2011  
note.  
60 Stat. 810.

For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); purchase of equipment; purchase, maintenance, and operation of aircraft; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official entertainment expenses (not to exceed \$30,000); reimbursement of the General Services Administration for security guard services; purchase (not to exceed seven hundred and forty, of which four hundred and ten are for replacement only) and hire of passenger motor vehicles; \$2,872,224,000, and any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955 (42 U.S.C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484),

69 Stat. 471.

to remain available until expended: *Provided*, That of such amount \$100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided further*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That no part of this appropriation shall be used in connection with the payment of a fixed fee to any contractor or firm of contractors engaged under a cost-plus-a-fixed-fee contract or contracts at any installation of the Commission, where that fee for community management is at a rate in excess of \$90,000 per annum, or for the operation of a transportation system where that fee is at a rate in excess of \$45,000 per annum.

#### PLANT ACQUISITION AND CONSTRUCTION

For expenses of the Commission, as authorized by law, in connection with the purchase and construction of plant and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and hire of passenger motor vehicles; \$262,745,000, to remain available until expended: *Provided*, That not to exceed \$4,500,000 of this appropriation for carrying out improvements on U.S. Highway 95, Nevada, as authorized in the Commission's 1963 authorization Act, may be transferred to the Bureau of Public Roads, Department of Commerce.

68 Stat. 919.  
42 USC 2011  
note.

#### GENERAL PROVISIONS

Any appropriation available under this or any other Act to the Atomic Energy Commission may initially be used subject to limitations in this Act during the fiscal year 1963 to finance the procurement of materials, services, or other costs which are a part of work or activities for which funds have been provided in any other appropriation available to the Commission: *Provided*, That appropriate transfers or adjustments between such appropriations shall subsequently be made for such costs on the basis of actual application determined in accordance with generally accepted accounting principles.

Not to exceed 5 per centum of appropriations made available for the fiscal year 1963 for "Operating expenses" and "Plant acquisition and construction" may be transferred between such appropriations, but neither such appropriation, except as otherwise provided herein, shall be increased by more than 5 per centum by any such transfers, and any such transfers shall be reported promptly to the Appropriations Committees of the House and Senate.

Transfer of  
funds.

No part of any appropriation herein shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Civil Service Commission on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force

Reports to congressional committees.  
Restriction on fellowships.

or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained herein shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

#### SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such Corporation, except as hereinafter provided:

61 Stat. 584.  
31 USC 849.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Not to exceed \$414,000 shall be available for administrative expenses which shall be computed on an accrual basis, including not to exceed \$2,000 for official entertainment expenses to be expended upon the approval or authority of the Administrator, purchase of one passenger motor vehicle for replacement only, uniforms or allowances therefor for operation and maintenance personnel, as authorized by law (5 U.S.C. 2131, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates for individuals not to exceed \$100 per day: *Provided*, That not to exceed \$5,000 may be expended for services of individuals employed at rates in excess of \$50 per day.

68 Stat. 1114.  
60 Stat. 810.

#### TENNESSEE VALLEY AUTHORITY

##### PAYMENT TO TENNESSEE VALLEY AUTHORITY FUND

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C., ch. 12A), including hire, maintenance, and operation of aircraft, and purchase (not to exceed one hundred and fifty for replacement only) and hire of passenger motor vehicles, \$35,071,000, to remain available until expended.

48 Stat. 58.

#### DELAWARE RIVER BASIN COMMISSION

##### SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), \$32,000.

##### CONTRIBUTION TO THE DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), \$80,000.

## U.S. STUDY COMMISSION—SOUTHEAST RIVER BASINS

## SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Act approved August 28, 1958 (72 Stat. 1090), including services as authorized by the Act of August 2, 1946 (5 U.S.C. 55a), \$552,000 to remain available until December 31, 1963. 60 Stat. 810.

## U.S. STUDY COMMISSION—TEXAS

## SALARIES AND EXPENSES

The appropriation granted under this head in the Public Works Appropriation Act, 1962, shall remain available until August 31, 1963. 75 Stat. 731.

## TITLE IV

## FUNDS APPROPRIATED TO THE PRESIDENT

## PUBLIC WORKS ACCELERATION

For expenses necessary to enable the President to provide for carrying out the purposes of the Public Works Acceleration Act, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed \$75 per diem, \$400,000,000. 60 Stat. 810.

## TITLE V—GENERAL PROVISIONS

## DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 501. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (5 U.S.C. 78), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at \$1,500 except station wagons for which the maximum shall be \$1,950.

SEC. 502. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, (3) is a person who owes allegiance to the United States, or (4) is an alien from Poland or the Baltic countries lawfully admitted to the United States for permanent residence: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony and, upon conviction,

Penalty.



Exception.

tion, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

5 USC 3033-  
3038.  
Restrictions.

SEC. 503. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with title II of the Act of September 6, 1960 (74 Stat. 793).

SEC. 504. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 505. No part of any appropriation contained in this or any other Act for the current fiscal year shall be used to pay in excess of \$4 per volume for the current and future volumes of the United States Code, Annotated, and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of \$4.25 per volume for the current or future volumes of the Lifetime Federal Digest, or in excess of \$6.50 per volume for the current or future volumes of the Modern Federal Practice Digest.

59 Stat. 597.

60 Stat. 810.

SEC. 506. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U.S.C. 841), shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

31 USC 724.

SEC. 507. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

Short title.

This Act may be cited as the "Public Works Appropriation Act, 1963".

Approved October 24, 1962.

(d) No increase provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

D.C. Code 31-725.

(e) The limitation contained in the next to the last sentence of section 5(c) (1) of the Act entitled "An Act for the retirement of public-school teachers in the District of Columbia", approved August 7, 1946 (60 Stat. 875), as amended, as enacted by the Act of July 2, 1956 (70 Stat. 487), shall not be effective on and after the effective date of this section.

Effective date of increases.

(f) The increases provided by this section shall take effect on the effective date of this section, except that any increase under subsection (b) or (c) shall take effect on the beginning date of the annuity.

(g) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar.

D.C. Code 31-721 et seq.

SEC. 202. The Act entitled "An Act for the retirement of public-school teachers in the District of Columbia", approved August 7, 1946, as amended, is amended by adding at the end thereof the following new sections:

"Price index "

"SEC. 21. Whenever used in this Act the term 'price index' shall mean the annual average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"SEC. 22. (a) After January 1, 1964, and after each succeeding January 1, the Commissioners of the District of Columbia shall determine the per centum change in the price index from the later of 1962 or the year preceding the most recent cost-of-living adjustment to the latest complete year. On the basis of such Commissioners' determination, the following adjustments shall be made:

"(1) Effective April 1, 1964, if the change in the price index from 1962 to 1963 shall have equaled a rise of at least 3 per centum, each annuity payable from the fund which has a commencing date earlier than January 2, 1963, shall be increased by the per centum rise in the price index adjusted to the nearest one-tenth of 1 per centum.

"(2) Effective April 1 of any year other than 1964 after the price index change shall have equaled a rise of at least 3 per centum, each annuity payable from the fund which has a commencing date earlier than January 2 of the preceding year shall be increased by the per centum rise in the price index adjusted to the nearest one-tenth of 1 per centum.

“(b) Eligibility of an annuity increase under this section shall be governed by the commencing date of each annuity payable from the fund as of the effective date of an increase, except as follows:

“(1) Effective from the date of the first increase under this section, an annuity payable from the fund to an annuitant’s survivor (other than a child entitled under section 9(b)(3)), which annuity commenced the day after the annuitant’s death, shall be increased as provided in subsection (a)(1) or (a)(2) if the commencing date of annuity to the annuitant was earlier than January 2 of the year preceding the first increase.

D.C. Code 31-729.

“(2) Effective from its commencing date, an annuity payable from the fund to an annuitant’s survivor (other than a child entitled under section 9(b)(3)), which annuity commences the day after the annuitant’s death and after the effective date of the first increase under this section, shall be increased by the total per centum increase the annuitant was receiving under this section at death.

“(3) For purposes of computing an annuity which commences after the effective date of the first increase under this section to a child under section 9(b)(3), the items \$600, \$720, \$1,800, and \$2,160 appearing in section 9(b)(3) shall be increased by the total per centum increase allowed and in force under this section, and, in case of a deceased annuitant, the items 40 per centum and 50 per centum appearing in section 9(b)(3) shall be increased by the total per centum increase allowed and in force under this section to the annuitant at death. Effective from the date of the first increase under this section, the provisions of this paragraph shall apply as if such first increase were in effect with respect to computation of a child’s annuity under section 9(b)(3) which commenced between January 2 of the year preceding the first increase and the effective date of the first increase.

“(c) No increase in annuity provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

“(d) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar.”

SEC. 203. (a) Section 5(b)(1) of the Act entitled “An Act for the retirement of public-school teachers in the District of Columbia”, approved August 7, 1946, as amended, is amended by striking out “50 per centum” and inserting in lieu thereof “55 per centum” and by striking out “\$2,400” and inserting in lieu thereof “\$3,600”.

D.C. Code 31-725.

(b) Section 9(b)(1) of such Act is amended by striking out “one-half” and inserting in lieu thereof “55 per centum of”.

D.C. Code 31-729.

(c) Section 9(b)(2) of such Act is amended by striking out “one-half” in the three places where it appears therein and inserting in lieu thereof in the first two places “55 per centum of” and in the third place “55 per centum”.

(d)(1) The third sentence of section 9(b)(3) of such Act is amended to read as follows: "The child's annuity shall commence on the day after the employee dies, and such annuity granted under this Act or any right thereto shall terminate on the last day of the month before (1) his attaining age eighteen unless incapable of self-support, (2) his becoming capable of self-support after age eighteen, (3) his marriage, or (4) his death, except that the annuity of a child who is a student as described in section 9(c)(2) shall terminate on the last day of the month before (A) his marriage, (B) his death, (C) his ceasing to be such a student, or (D) his attaining age twenty-one."

(2) Notwithstanding any other provision of law, the benefits resulting from enactment of this amendment shall be paid from the teachers' retirement and annuity fund.

(e) Section 9(c)(2) of such Act is amended by substituting a comma for the period at the end thereof and adding the following: "or such unmarried child between eighteen and twenty-one years of age who is a student regularly pursuing a full-time course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child whose twenty-first birthday occurs prior to July 1 or after August 31 of any calendar year, and while he is regularly pursuing such a course of study or training, shall be deemed for the purposes of this paragraph and section 9(b)(3) to have attained the age of twenty-one on the first day of July following such birthday. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years if the interim does not exceed four months and if he shows to the satisfaction of the Commissioners that he has a bona fide intention of continuing to pursue a course of study or training in the same or different school during the school semester (or other period into which the school year is divided) immediately following the interim."

SEC. 204. Notwithstanding any other provision of law, the benefits made payable under the Act entitled "An Act for the retirement of public-school teachers in the District of Columbia", approved August 7, 1946, as amended, by reason of the enactment of this title shall be paid from the District of Columbia teachers' retirement and annuity fund.

SEC. 205. Section 201 of this title shall take effect on January 1, 1963. The amendments made by section 203 shall not apply in the case of employees retired or otherwise separated prior to the date of enactment of this Act, and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if these amendments had not been enacted.

Approved October 24, 1962.

Adjustment of  
compensation  
rates.

72 Stat. 482.  
D. C. Code 4  
824.

Longevity rates.

72 Stat. 480.  
D. C. Code 4-  
823 note.

72 Stat. 484.  
D. C. Code 4-  
832.

D. C. Code 4-  
829, 4-832.

SEC. 2. The rates of basic compensation of officers and members to whom the amendment made by the first section of this Act apply shall be adjusted in accordance with this section, and on and after the effective date of this Act section 201 of the District of Columbia Police and Firemen's Salary Act of 1958 shall not apply to any such officer or member whose rate of basic compensation is so adjusted in accordance with this section. Such rates of basic compensation shall be adjusted as follows:

(a) Each officer and member receiving basic compensation immediately prior to the effective date of this Act at one of the scheduled service or longevity rates of a class or subclass in the salary schedule in the District of Columbia Police and Firemen's Salary Act of 1958, as amended, shall receive a rate of basic compensation at the corresponding scheduled service or longevity rate in effect on and after the effective date of this Act, except that:

(1) Each private who immediately prior to the effective date of this Act was serving in service step 6, or longevity steps 7 or 8 in any subclass in class 1, and had a total of thirteen or more years of service as of the first day of the first pay period which began after January 1, 1958, shall, on the effective date of this Act, be advanced from service step 6 to longevity step 7, or from longevity step 7 to longevity step 8, or from longevity step 8 to longevity step 9, as the case may be, and receive the appropriate scheduled rate of basic compensation for such step in the subclass in which he is serving. Any active service immediately prior to the effective date of this Act which each such private has rendered in the service step or longevity step from which he is being advanced will be credited to him for subsequent advancement purposes under the provisions of section 401 of the District of Columbia Police and Firemen's Salary Act of 1958, as amended, except that such active service provision shall not apply to any private assigned as detective, class 1, subclass (c), immediately prior to the effective date of this Act.

(2) Each private who, immediately prior to the effective date of this Act, was serving in a position bearing the title of station clerk in class 1, subclass (b), shall be placed in the corresponding title in class 1, subclass (c), and shall receive basic compensation (1) at the service step or longevity step in subclass (c) corresponding to that service step or longevity step in which he was serving immediately prior to the effective date of this Act, or (2) at the longevity step to which he is entitled under the provisions of paragraph (1) of subsection (a) of this section. Any active service which each private so assigned as station clerk has rendered in the service step or longevity step in which he was serving immediately prior to the effective date of this Act will be credited to him for subsequent advancement purposes under the provisions of section 303 or section 401, as the case may be, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended.

(3) Each private who immediately prior to the effective date of this Act was serving in a position bearing the title of detective or precinct detective in class 1, subclass (c) or subclass (d), shall on the effective date of this Act, after the application of the provisions of paragraph (1) of subsection (a) of this section, be placed in and receive basic

compensation at a scheduled rate in class 3, with the title of detective as follows:

| From—                             | To—                 |
|-----------------------------------|---------------------|
| Detective, class 1, subclass (c): | Detective, class 3: |
| Service steps 1, 2, 3, and 4----- | Service step 1.     |
| Service step 5-----               | Service step 2.     |
| Service step 6-----               | Service step 3.     |
| Longevity step 7-----             | Service step 4.     |
| Longevity step 8-----             | Longevity step 7.   |
| Longevity step 9-----             | Longevity step 8.   |

| From—                                      | To—                 |
|--|---------------------|
| Precinct detective, class 1, subclass (d): | Detective, class 3: |
| Service steps 1, 2, and 3-----             | Service step 1.     |
| Service step 4-----                        | Service step 2.     |
| Service step 5-----                        | Service step 3.     |
| Service step 6-----                        | Service step 4.     |
| Longevity step 7-----                      | Longevity step 7.   |
| Longevity step 8-----                      | Longevity step 8.   |
| Longevity step 9-----                      | Longevity step 9.   |

In computing the time served by each officer or member so assigned from detective, class 1, subclass (c), to detective, class 3, on the effective date of this Act for purposes of advancement to the next higher scheduled service step or longevity step as provided in section 303 or 401, as the case may be, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended, such time shall commence as of the effective date of this Act. Any active service which each officer or member so assigned from precinct detective, class 1, subclass (d), to detective, class 3, has rendered in the service step or longevity step in which he was serving immediately prior to the effective date of this Act will be credited to him for subsequent advancement purposes under the provisions of section 303 or section 401, as the case may be, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended.

(4) Each private who immediately prior to the effective date of this Act was serving in a position bearing the title of detective sergeant in class 1, subclass (e), shall on the effective date of this Act, after the application of the provisions of paragraph (1) of subsection (a) of this section be placed in the corresponding title in class 4, subclass (b), and shall receive the scheduled rate of basic compensation at a service step or longevity step as follows:

| From—                                      | To—  |
|--|--|
| Detective sergeant, class 1, subclass (e): | Detective sergeant, class 4, subclass (b): |
| Service steps 1, 2, and 3-----             | Service step 1.                            |
| Service step 4-----                        | Service step 2.                            |
| Service step 5-----                        | Service step 3.                            |
| Service step 6-----                        | Service step 4.                            |
| Longevity step 7-----                      | Longevity step 7.                          |
| Longevity step 8-----                      | Longevity step 8.                          |
| Longevity step 9-----                      | Longevity step 9.                          |

Any active service which each officer or member so assigned as detective sergeant has rendered in the service step or longevity step in which he was serving immediately prior to the effective date of this Act will be credited to him for subsequent advancement purposes under provisions of section 303 or section 401, as the case may be, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended.

(5) Each officer and member who, immediately prior to the effective date of this Act, was in class 3, subclass (a), as corporal, or in class 3, subclass (b), as corporal assigned as motorcycle officer, shall, on the effective date of this Act be placed in and receive basic compensation

72 Stat. 483,  
484.  
D.C. Code 4-  
829, 4-832.

at a scheduled rate in class 4, subclass (a), or class 4, subclass (c), as the case may be, with the title of sergeant as follows:

| From—   | To—   |
|---|---|
| Corporal, class 3, subclass (a):                                | Sergeant, class 4, subclass (a):                                |
| Service steps 1 and 2-----                                      | Service step 1.   |
| Service step 3-----   | Service step 2.   |
| Service step 4-----   | Service step 3.   |
| Longevity step 7-----   | Service step 4.   |
| Longevity step 8-----   | Longevity step 7.   |
| Longevity step 9-----   | Longevity step 8.   |
| From—   | To—   |
| Corporal assigned as motorcycle officer, class 3, subclass (b): | Sergeant assigned as motorcycle officer, class 4, subclass (c): |
| Service steps 1 and 2-----                                      | Service step 1.   |
| Service step 3-----   | Service step 2.   |
| Service step 4-----   | Service step 3.   |
| Longevity step 7-----   | Service step 4.   |
| Longevity step 8-----   | Longevity step 7.   |
| Longevity step 9-----   | Longevity step 8.   |

D.C. Code 4-829, 4-832.

In computing the time served by each officer or member so assigned from corporal to sergeant or from corporal to sergeant assigned as motorcycle officer on the effective date of this Act for purposes of advancement to the next higher scheduled service step or longevity step as provided in section 303 or 401, as the case may be, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended, such time shall commence as of the effective date of this Act.

(6) Each officer or member who was a sergeant in class 4 immediately prior to the effective date of this Act, and who was a sergeant prior to July 1, 1953, shall be advanced to and shall receive the scheduled rate of basic compensation for longevity step 9 in class 4. Each officer or member who was a sergeant in class 4 immediately prior to the effective date of this Act and who was promoted to sergeant after June 30, 1953, and prior to the effective date of the District of Columbia Police and Firemen's Salary Act of 1958, shall, if immediately prior to the effective date of this Act he was serving in longevity step 7 or service step 4 or any lower service step, be advanced to the second higher scheduled step in class 4 above such step in which he was so serving or if, immediately prior to the effective date of this Act he was serving in longevity step 8 he shall be advanced to longevity step 9 in class 4, and shall receive the scheduled rate of basic compensation for the step to which he is advanced. Each officer or member who was a sergeant in class 4 immediately prior to the effective date of this Act and who was promoted to sergeant on or after the effective date of the District of Columbia Police and Firemen's Salary Act of 1958, shall be advanced to and receive the scheduled rate of basic compensation for the next higher scheduled step in class 4. Any active service which each sergeant has rendered in the service step or longevity step in which he was serving immediately prior to the effective date of this Act will be credited to him for subsequent advancement purposes under the provisions of section 303 or section 401, as the case may be, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended.

(7) Each officer or member receiving basic compensation at scheduled longevity step 9, in classes 5 through 10, respectively, of the District of Columbia Police and Firemen's Salary Act of 1958, as amended, shall be placed in and receive the rate of basic compensation at the scheduled longevity step 8, in classes 5 through 10, respectively, of the above schedule.

SEC. 3. (a) Section 203(b) of the District of Columbia Police and Firemen's Salary Act of 1958, as amended, is amended by deleting therefrom "Fire Marshal".

D.C. Code 4-826.

(b) Title II of such Act is amended by adding at the end thereof the following new section:

D.C. Code 4-824-4-826.

"SEC. 204. The aide to the Fire Marshal shall be included as a fire inspector in class 2, subclass (a)."

(c) The first sentence of section 304 of such Act is amended to read as follows: "Any officer or member who is promoted or transferred to a higher class shall receive basic compensation at the lowest scheduled rate of such higher class which exceeds his existing rate of compensation by not less than one step increase of the class from which he is promoted or transferred: *Provided*, That any such officer or member serving in a subclass other than subclass (a) of any class (who is not assigned as a detective sergeant in class 4, subclass (b)) shall receive basic compensation at the lowest scheduled rate of such higher class which exceeds by one step increase the rate shown for subclass (a) in the same step in which he was serving in the class from which promoted: *Provided further*, That such scheduled rate in the higher class shall not be less than his existing rate of pay."

Promotion or transfer.

D.C. Code 4-830.

(d) Section 401(a)(2) of such Act is amended to read as follows:

"(2) Not more than three successive longevity step increases may be granted to any officer or member in classes 1 through 4, nor more than two successive longevity step increases may be granted to any officer or member in classes 5 through 10; nor shall any officer or member be granted a longevity step increase above the maximum scheduled longevity step in the subclass in which he is serving or, if there are no subclasses in his class, in the class in which he is serving."

Longevity step increases.

D.C. Code 4-832.

SEC. 4. The first section of the Act entitled "An Act to increase the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, United States Park Police, the White House Police, and for other purposes", approved September 8, 1960 (Public Law 86-734) is hereby repealed.

Repeal.

SEC. 5. This Act shall take effect as of the first day of the first pay period beginning after January 1, 1963.

74 Stat. 868.

D.C. Code 4-823.

Effective date.

Approved October 24, 1962.



## Public Law 87-883

October 24, 1962  
[S. J. Res. 208]

## JOINT RESOLUTION

To establish a Commission to develop and execute plans for the celebration of the one hundred and fiftieth anniversary of the Battle of Lake Erie, and for other purposes.

Whereas the one hundred and fiftieth anniversary of the renowned naval Battle of Lake Erie near Put-in-Bay, Ohio, will occur in September 1963;

Whereas the decisive victory of Commodore Oliver Hazard Perry on September 10, 1813, over the British naval forces in Lake Erie had profound results on the conclusion of the War of 1812 and the future of the United States as a nation;

Whereas this victory of the small squadron commanded by Commodore Perry marked the only time in the history of the world that an entire British squadron surrendered to an enemy;

Whereas Commodore Perry's report following this engagement, "We have met the enemy, and they are ours . . . two ships, two brigs, one schooner and one sloop", electrified the young Nation at that time and will ever be remembered in the annals of American history;

Whereas the War of 1812 on the land and sea areas of the United States and Canada introduced these two great English-speaking nations to a period of one hundred and fifty years of permanent peace and mutual respect along an unfortified three-thousand-mile common boundary;

Whereas this struggle resulted in memorializing the principle of international peace by arbitration and disarmament and lasting peace among nations;

Whereas the enduring results of this conflict have cemented more strongly the cultural and economic ties which exist between Canada and the United States as a demonstration of peace and good will in a world today fraught with unrest and fear: Therefore be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) there is hereby established a commission to be known as the "Battle of Lake Erie Sesquicentennial Celebration Commission" (hereinafter referred to as the "Commission") which shall be composed of thirteen members as follows:

Battle of Lake  
Erie Sesquicen-  
tennial Celebra-  
tion Commission.  
Establishment.

## Membership.

(1) Four members who shall be Members of the Senate, to be appointed by the President of the Senate (two of whom shall be from the State of Ohio);

(2) Four members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives (two of whom shall be from the State of Ohio);

(3) One representative of the Department of the Interior who shall be designated by the Secretary of the Interior and who shall serve as executive officer of the Commission; and

(4) Four members to be appointed by the President of the United States.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall receive no salary.

(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

SEC. 2. The functions of the Commission shall be to develop and to execute suitable plans for the celebration, in 1963, of the one hundred and fiftieth anniversary of the Battle of Lake Erie.

Functions.

SEC. 3. The Commission may employ, without regard to the civil service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions: *Provided, however*, That no employee whose position would be subject to the Classification Act of 1949, as amended, if said Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under said Act for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by the Classification Act of 1949, as amended, as of the same date such rates are authorized for positions subject to said Act. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee.

Compensation.  
5 USC 1113;  
Ante, p. 843.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with agencies of State and local governments, with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this joint resolution. The Commission, to such extent as it finds to be necessary, may procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this joint resolution: *Provided, however*, That all expenditures of the Commission shall be made from donated funds only.

Acceptance of  
donations, etc.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within one year following the termination of the celebration as prescribed by this joint resolution. The Commission shall terminate upon submission of its report to the Congress.

Expenditures.

Report to Con-  
gress.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

Property or rev-  
enues, disposal.

(d) Mail matter sent by the Commission as penalty mail or franked mail shall be accepted for mail subject to section 4156 of title 39, United States Code, as amended.

Franked mail.

74 Stat. 661.

Approved October 24, 1962.

## Public Law 87-884

October 24, 1962  
[H. J. Res. 489]

## JOINT RESOLUTION

To provide protection for the golden eagle.

Whereas the population of the golden eagle has declined at such an alarming rate that it is now threatened with extinction; and  
Whereas the golden eagle should be preserved because of its value to agriculture in the control of rodents; and

Whereas protection of the golden eagle will afford greater protection for the bald eagle, the national symbol of the United States of America, because the bald eagle is often killed by persons mistaking it for the golden eagle: Now, therefore, be it

Golden eagle,  
protection.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the first two sections of the Act of June 8, 1940 (54 Stat. 250, as amended; 16 U.S.C. 668, 668a), are hereby amended to read as follows: "Whoever, within the United States or any place subject to the jurisdiction thereof, without being permitted to do so as hereinafter provided, shall take, possess, sell, purchase, barter, offer to sell, purchase or barter, transport, export or import, at any time or in any manner, any bald eagle commonly known as the American eagle, or any golden eagle, alive or dead, or any part, nest, or egg thereof of the foregoing eagles, shall be fined not more than \$500 or imprisoned not more than six months, or both: *Provided*, That nothing herein shall be construed to prohibit possession or transportation of any bald eagle, alive or dead, or any part, nest, or egg thereof, lawfully taken prior to June 8, 1940, and that nothing herein shall be construed to prohibit possession or transportation of any golden eagle, alive or dead, or any part, nest, or egg thereof, lawfully taken prior to the addition to this Act of the provisions relating to preservation of the golden eagle.

Regulations, au-  
thorization.

"SEC. 2. Whenever, after investigation, the Secretary of the Interior shall determine that it is compatible with the preservation of the bald eagle or the golden eagle to permit the taking, possession, and transportation of specimens thereof for the scientific or exhibition purposes of public museums, scientific societies, and zoological parks, or for the religious purposes of Indian tribes, or that it is necessary to permit the taking of such eagles for the protection of wildlife or of agricultural or other interests in any particular locality, he may authorize the taking of such eagles pursuant to regulations which he is hereby authorized to prescribe: *Provided*, That on request of the Governor of any State, the Secretary of the Interior shall authorize the taking of golden eagles for the purpose of seasonally protecting domesticated flocks and herds in such State, in accordance with regulations established under the provisions of this section, in such part or parts of such State and for such periods as the Secretary determines to be necessary to protect such interests: *Provided further*, That bald eagles may not be taken for any purpose unless, prior to such taking, a permit to do so is procured from the Secretary of the Interior."

Approved October 24, 1962.

## Public Law 87-885

## AN ACT

October 24, 1962  
[S. 3361]

To facilitate the entry of alien skilled specialists and certain relatives of United States citizens, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any alien who (1) is registered on a consular waiting list pursuant to section 203(c) of the Immigration and Nationality Act (8 U.S.C. 1153) under priority date earlier than March 31, 1954, and (2) is eligible for a quota immigrant status under the provisions of section 203(a)(4) of the said Act (8 U.S.C. 1153) on a basis of a petition filed with the Attorney General prior to January 1, 1962, and the spouse and children of such alien, shall be held to be nonquota immigrants and if otherwise admissible under the provisions of the Immigration and Nationality Act, shall be issued nonquota immigrant visas: *Provided*, That, upon his application for an immigrant visa and for his admission into the United States, the alien is found to have retained his relationship to the petitioner and status as established in the approved petition.

Aliens.  
Specialists and  
relatives of U.S.  
citizens.  
66 Stat. 179.

66 Stat. 163.  
8 USC 1101 note.

SEC. 2. Any alien eligible for a quota immigrant status under the provisions of section 203(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1153) on the basis of a petition filed with the Attorney General prior to April 1, 1962, shall be held to be a nonquota immigrant and may be issued a nonquota immigrant visa: *Provided*, That, upon his application for an immigrant visa and for admission to the United States or for adjustment of his immigrant status in the United States pursuant to section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) the alien is found to have retained his status as established in the approved petition. This section shall be applicable only to aliens admissible to the United States except for the fact that an immigrant visa is not promptly available for issuance to them because the first 50 per centum of the quota of the quota area to which they are chargeable is oversubscribed by beneficiaries of petitions approved by the Attorney General pursuant to sections 203(a)(1) and 204 of the Immigration and Nationality Act (8 U.S.C. 1153, 1154) prior to the date of enactment of this Act.

Nonquota immi-  
grant.

72 Stat. 699.

SEC. 3. Section 204(c) of the Immigration and Nationality Act (8 U.S.C. 1154) is hereby amended by adding the following at the end thereof: "The Attorney General shall forward to the Congress a report on each approved petition for immigrant status under section 203(a)(1) stating the basis for his approval and such facts as were by him deemed to be pertinent in establishing the beneficiary's qualifications for the preferential status and for the petitioner's urgent need for his services. Such reports shall be submitted to the Congress on the first and fifteenth day of each calendar month in which the Congress is in session."

Report to Con-  
gress.

SEC. 4. Section 244 of the Immigration and Nationality Act (8 U.S.C. 1254) is hereby amended to read:

Suspension of  
deportation.

"SEC. 244. (a) As hereinafter prescribed in this section, the Attorney General may, in his discretion, suspend deportation and adjust the status to that of an alien lawfully admitted for permanent residence, in the case of an alien who applies to the Attorney General for suspension of deportation and—

"(1) is deportable under any law of the United States except the provisions specified in paragraph (2) of this subsection; has been physically present in the United States for a continuous period of not less than seven years immediately preceding the date of such application, and proves that during all of such period

he was and is a person of good moral character; and is a person whose deportation would, in the opinion of the Attorney General, result in extreme hardship to the alien or to his spouse, parent, or child, who is a citizen of the United States or an alien lawfully admitted for permanent residence; or

8 USC 1251.

“(2) is deportable under paragraphs (4), (5), (6), (7), (11), (12), (14), (15), (16), (17), or (18) of section 241(a); has been physically present in the United States for a continuous period of not less than ten years immediately following the commission of an act, or the assumption of a status, constituting a ground for deportation, and proves that during all of such period he has been and is a person of good moral character; and is a person whose deportation would, in the opinion of the Attorney General, result in exceptional and extremely unusual hardship to the alien or to his spouse, parent, or child, who is a citizen of the United States or an alien lawfully admitted for permanent residence.

“(b) The requirement of continuous physical presence in the United States specified in paragraphs (1) and (2) of subsection (a) of this section shall not be applicable to an alien who (A) has served for a minimum period of twenty-four months in an active-duty status in the Armed Forces of the United States and, if separated from such service, was separated under honorable conditions, and (B) at the time of his enlistment or induction was in the United States.

“(c) (1) Upon application by any alien who is found by the Attorney General to meet the requirements of subsection (a) of this section the Attorney General may in his discretion suspend deportation of such alien. If the deportation of any alien is suspended under the provisions of this subsection, a complete and detailed statement of the facts and pertinent provisions of law in the case shall be reported to the Congress with the reasons for such suspension. Such reports shall be submitted on the first day of each calendar month in which Congress is in session.

“(2) In the case of an alien specified in paragraph (1) of subsection (a) of this section—

if during the session of the Congress at which a case is reported, or prior to the close of the session of the Congress next following the session at which a case is reported, either the Senate or the House of Representatives passes a resolution stating in substance that it does not favor the suspension of such deportation, the Attorney General shall thereupon deport such alien or authorize the alien's voluntary departure at his own expense under the order of deportation in the manner provided by law. If, within the time above specified, neither the Senate nor the House of Representatives shall pass such a resolution, the Attorney General shall cancel deportation proceedings.

“(3) In the case of an alien specified in paragraph (2) of subsection (a) of this section—

if during the session of the Congress at which a case is reported, or prior to the close of the session of the Congress next following the session at which a case is reported, the Congress passes a concurrent resolution stating in substance that it favors the suspension of such deportation, the Attorney General shall cancel deportation proceedings. If within the time above specified the Congress does not pass such a concurrent resolution, or if either the Senate or the House of Representatives passes a resolution stating in substance that it does not favor the suspension of the deportation of such alien, the Attorney General shall thereupon deport such alien in the manner provided by law.

“(d) Upon the cancellation of deportation in the case of any alien under this section, the Attorney General shall record the alien’s lawful admission for permanent residence as of the date the cancellation of deportation of such alien is made, and the Secretary of State shall, if the alien was classifiable as a quota immigrant at the time of entry and was not charged to the appropriate quota, reduce by one the quota of the quota to which the alien is chargeable under section 202 for the fiscal year then current at the time of cancellation or the next following year in which a quota is available. No quota shall be so reduced by more than 50 per centum in any fiscal year.

8 USC 1152.

“(e) The Attorney General may, in his discretion, permit any alien under deportation proceedings, other than an alien within the provisions of paragraph (4), (5), (6), (7), (11), (12), (14), (15), (16), (17), or (18) of section 241(a) (and also any alien within the purview of such paragraphs if he is also within the provisions of paragraph (2) of subsection (a) of this section), to depart voluntarily from the United States at his own expense in lieu of deportation if such alien shall establish to the satisfaction of the Attorney General that he is, and has been, a person of good moral character for at least five years immediately preceding his application for voluntary departure under this subsection.

8 USC 1251.

“(f) No provision of this section shall be applicable to an alien who (1) entered the United States as a crewman; or (2) was admitted to the United States pursuant to section 101(a)(15)(J) or has acquired such status after admission to the United States; or (3) is a native of any country contiguous to the United States or of any adjacent island named in section 101(b)(5): *Provided*, That the Attorney General may in his discretion agree to the granting of suspension of deportation to an alien specified in clause (3) of this subsection if such alien establishes to the satisfaction of the Attorney General that he is ineligible to obtain a nonquota immigrant visa.”

75 Stat. 534.  
8 USC 1101.

Approved October 24, 1962.